

**UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE**

In re: **W. R. Grace & Co., et al**  
Debtor

**Case No. 01-01139** Jointly Administered  
**Reporting Period: June 2010**

**MONTHLY OPERATING REPORT**

File with Court and submit copy to United States Trustee within 20 days after end of month

Submit copy of report to any official committee appointed in the case.

<b>REQUIRED DOCUMENTS</b>	<b>Form No.</b>	<b>Document Attached</b>	<b>Explanation Attached</b>
Schedule of Cash Receipts and Disbursements	MOR-1	X	
Bank Reconciliation (or copies of debtor's bank reconciliations)			See attached Attestation Form
Copies of bank statements			See attached Attestation Form
Cash disbursements journals			Not available
Statement of Operations	MOR-2	X	
Balance Sheet	MOR-3	X	
Status of Postpetition Taxes	MOR-4	X	
Copies of IRS Form 6123 or payment receipt			Not available
Copies of Federal income tax returns filed during reporting period			N/A
Summary of Unpaid Postpetition Debts	MOR-4		See Note #4
Listing of aged accounts payable			See Note #4
Accounts Receivable Reconciliation and Aging	MOR-5	X	
Debtor Questionnaire	MOR-5	X	

I declare under penalty of perjury (28 U.S.C. Section 1746) that this report and the documents attached are true and correct to the best of my knowledge and belief.

\_\_\_\_\_  
Signature of Debtor

\_\_\_\_\_  
Date

\_\_\_\_\_  
Signature of Joint Debtor

\_\_\_\_\_  
Date

\_\_\_\_\_  
Signature of Authorized Individual\*

\_\_\_\_\_  
Date

Hudson La Force III

Printed Name of Authorized Individual

Senior Vice President and  
Chief Financial Officer

Title of Authorized Individual

\*Authorized individual must be an officer, director or shareholder if debtor is a corporation; a partner if debtor is a partnership; a manager or member if debtor is a limited liability company.

**W. R. Grace & Co.**  
**Monthly Financial Report**  
**June 30, 2010**

**Table of Contents**

**Chart #**

**Form MOR**

**Monthly Operating Report**

Schedule of Cash Receipts and Disbursements .....	1	MOR-1
		See attached
Bank Reconciliations .....	2	Attestation Form
Combining Statement of Operations - Filing Entities Only .....	3	MOR-2
Combining Balance Sheet - Filing Entities Only .....	4	MOR-3
Status of Postpetition Taxes .....	5	MOR-4
Accounts Receivable Reconciliation and Aging .....	6	MOR-5
Debtor Questionnaire .....	7	MOR-5

**Combined Chapter 11 Filing Entity Statements**

Combined Statements of Operations.....	8
Combined Functional Basis Statements of Cash Flows .....	9
Combined Balance Sheets.....	10
Filing Entity Supplemental Financial Information .....	11

**Bank Statements**

See attached  
Attestation Form

**Federal Income Tax Returns**

N/A

**Forward-Looking Information**

This monthly financial report contains forward-looking information that involves risks and uncertainties. For such information, Grace claims the protection of the safe harbor for forward-looking statements contained in the Private Securities Litigation Reform Act of 1995. Actual results could differ materially from the results predicted, and reported results should not be considered as a indication of future performance. Factors that could cause actual results to differ from those contained in the forward-looking information include those factors set forth in Grace's most recent Annual Report on Form 10-K and quarterly reports on Form 10-Q, which have been filed with the Securities Exchange Commission.

**Statement of Confidentiality**

The information contained in the monthly financial report contains confidential information of W. R. Grace & Co. and its subsidiaries (the "Confidential Information"). The Confidential Information has been prepared solely for information purposes and may not be disclosed to any person or entity or reproduced, disseminated or disclosed, in whole or in part, except to officers, directors, employees, and representatives of the recipient ("Representatives") or as required by applicable law or regulation. By receipt of the Confidential Information, each recipient agrees to (1) use the Confidential Information only to enhance its understanding of Grace and its businesses, and (2) inform its Representatives of the confidential nature of such information and direct them to treat such information in accordance with the terms. Each recipient agrees to be responsible for any breach of these provisions by any of its Representatives.

## **Monthly Operating Report**

## W. R. Grace &amp; Co. - Conn

## Schedule of Cash Receipts and Disbursements

MOR-1

June 2010

	JP Morgan Chase Disbursement 9101013572	First Union Deposit Acct 2199500021812	First Union Payroll 2079900003815	Merrill Lynch Investment 3323735	Bank of America Lockbox 8188703107	JP Morgan Chase Holding 323223141	JP Morgan Chase Concentration 18001257
CASH BEGINNING OF MONTH	\$ 96,353	\$ 10,000	\$ -	\$ 535,522,653	\$ 124,504	\$ 868,827	\$ 1,420,538
RECEIPTS							
ACCOUNTS RECEIVABLE - THIRD PARTIES					12,048		
ACCOUNTS RECEIVABLE - INTERCOMPANY							
ACCOUNTS RECEIVABLE AS SERVICER FOR GRPI							
DIP BORROWINGS							
TRANSFERS IN - THIRD PARTIES		280,202		12		109	1,057,647
TRANSFERS IN - NONFILING ENTITIES							6,652,892
TRANSFERS IN - FILING ENTITY CASH ACCOUNTS	200,000						84,888,473
MISCELLANEOUS							
TOTAL RECEIPTS	200,000	280,202	-	12	12,048	109	92,599,012
DISBURSEMENTS							
PAYROLL							
PAYROLL TAXES							
TRADE PAYABLES - THIRD PARTIES							817,777
TRADE PAYABLES - INTERCOMPANY							
ACCOUNT SECURITIZATION							
PAYMENTS AS SERVICER FOR GRPI							
DIP PRINCIPAL REPAYMENTS							
DIP INTEREST AND USAGE FEES							
TRANSFERS OUT - THIRD PARTIES	194,750						567,619
TRANSFERS OUT - NONFILING ENTITIES							
TRANSFERS OUT - FILING ENTITY CASH ACCOUNTS				535,522,665			88,002,322
MISCELLANEOUS							
TOTAL DISBURSEMENTS	194,750	-	-	535,522,665	-	-	89,387,719
NET CASH FLOW (RECEIPTS LESS DISBURSEMENTS)	5,250	280,202	-	(535,522,653)	12,048	109	3,211,293
CASH - END OF MONTH	\$ 101,603	\$ 290,202	\$ -	\$ -	\$ 136,552	\$ 868,935	\$ 4,631,831

## Note #1

Various payments are made by W. R. Grace & Co. - Conn on behalf of certain other debtor entities, generally and primarily those that are inactive and/or have no direct employees. Such expenditures are generally de minimis and could include professional fees, state registration fees, business license fees and certain taxes.

W. R. Grace & Co. - Conn Schedule of Cash Receipts and Disbursements MOR-1 June 2010					
	Bank of America Lockbox 8188203114	Banc of America Securities LLC 22330134	First Union Concentration 2000000282172	First Union Payroll 2079900018741	First Union Libby Medical 2079900065006
CASH BEGINNING OF MONTH	\$ 36,368,178	\$ -	\$ 11,867,465	\$ 76,545	\$ 72,281
RECEIPTS					
ACCOUNTS RECEIVABLE - THIRD PARTIES	53,379,557				
ACCOUNTS RECEIVABLE - INTERCOMPANY	1,418,237				
ACCOUNTS RECEIVABLE AS SERVICER FOR GRPI					
DIP BORROWINGS					
TRANSFERS IN - THIRD PARTIES		13,427			
TRANSFERS IN - NONFILING ENTITIES					
TRANSFERS IN - FILING ENTITY CASH ACCOUNTS	582,522,665	445,000,000	102,600,000	17,278,709	107,190
MISCELLANEOUS			4,490,133		
TOTAL RECEIPTS	637,320,459	445,013,427	107,090,133	17,278,709	107,190
DISBURSEMENTS					
PAYROLL				11,084,244	
PAYROLL TAXES				5,515,141	
TRADE PAYABLES - THIRD PARTIES					
TRADE PAYABLES - INTERCOMPANY					
ACCOUNT SECURITIZATION					
PAYMENTS AS SERVICER FOR GRPI					
DIP PRINCIPAL REPAYMENTS					
DIP INTEREST AND USAGE FEES					
TRANSFERS OUT - THIRD PARTIES	7,466,717				177,259
TRANSFERS OUT - NONFILING ENTITIES	1,471,927				
TRANSFERS OUT - FILING ENTITY CASH ACCOUNTS	517,100,000		112,944,035		
MISCELLANEOUS				8,723	
TOTAL DISBURSEMENTS	526,038,644	-	112,944,035	16,608,108	177,259
NET CASH FLOW (RECEIPTS LESS DISBURSEMENTS)	111,281,815	445,013,427	(5,853,903)	670,601	(70,069)
CASH - END OF MONTH	\$ 147,649,992	\$ 445,013,427	6,013,563	\$ 747,146	\$ 2,212

**Note #1**

Various payments are made by W. R. Grace & Co. - Conn on behalf of certain other debtor entities, generally and primarily those that are inactive and/or have no direct employees. Such expenditures are generally de minimis and could include professional fees, state registration fees, business license fees and certain taxes.

## W. R. Grace &amp; Co. - Conn

## Schedule of Cash Receipts and Disbursements

MOR-1

June 2010

	First Union Accts Payable 2079920005781	First Union Payroll 2079900067554	Wachovia Lockbox 1866-082535	First Union Accts payable 2079900005260	First Union Accts Payable 2079900005231	SunTrust Payroll 00000141309	PNC 4002641360	Hibermia Natl Disbursement 101391210	JP Morgan Chase Lockbox 304618494
CASH BEGINNING OF MONTH	\$ (3,470,002)	\$ -	\$ -	\$ -	\$ -	\$ 44,976	\$ -	\$ -	\$ 2,769
RECEIPTS									
ACCOUNTS RECEIVABLE - THIRD PARTIES									49,874,530
ACCOUNTS RECEIVABLE - INTERCOMPANY									25,028,719
ACCOUNTS RECEIVABLE AS SERVICER FOR GRPI									
DIP BORROWINGS									
TRANSFERS IN - THIRD PARTIES									
TRANSFERS IN - NONFILING ENTITIES									
TRANSFERS IN - FILING ENTITY CASH ACCOUNTS	42,397,141			745,430	52,415,566				
MISCELLANEOUS									
TOTAL RECEIPTS	42,397,141	-	-	745,430	52,415,566	-	-	-	74,903,249
DISBURSEMENTS									
PAYROLL									
PAYROLL TAXES									
TRADE PAYABLES - THIRD PARTIES	37,786,080			595,573	50,756,430				
TRADE PAYABLES - INTERCOMPANY									
ACCOUNT SECURITIZATION									
PAYMENTS AS SERVICER FOR GRPI									
DIP PRINCIPAL REPAYMENTS									
DIP INTEREST AND USAGE FEES									
TRANSFERS OUT - THIRD PARTIES									
TRANSFERS OUT - NONFILING ENTITIES									
TRANSFERS OUT - FILING ENTITY CASH ACCOUNTS	4,611,061								74,888,473
MISCELLANEOUS				160,950	1,659,136	14			
TOTAL DISBURSEMENTS	42,397,141	-	-	756,523	52,415,566	14	-	-	74,888,473
NET CASH FLOW (RECEIPTS LESS DISBURSEMENTS)	-	-	-	(11,093)	-	(14)	-	-	14,776
CASH - END OF MONTH	\$ (3,470,002)	\$ -	\$ -	\$ (11,093)	\$ -	\$ 44,962	\$ -	\$ -	\$ 17,545

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W. R. Grace & Co. - Conn					
Schedule of Cash Receipts and Disbursements					
MOR-1					
June 2010					
	Allfirst Payroll 16298657	First Union Petty Cash 2040000016900	Banco de Credito Operating Acct 1931115122058	Banco de Credito Operating Acct 1931125963172	Banco Interam de Finanzas 007000107847
CASH BEGINNING OF MONTH	\$ -	\$ -	\$ 5,022	\$ 330,721	\$ -
RECEIPTS					
ACCOUNTS RECEIVABLE - THIRD PARTIES			20,200	575,781	-
ACCOUNTS RECEIVABLE - INTERCOMPANY			-	-	-
ACCOUNTS RECEIVABLE AS SERVICER FOR GRPI			-	-	-
DIP BORROWINGS			-	-	-
TRANSFERS IN - THIRD PARTIES			251,460	-	-
TRANSFERS IN - NONFILING ENTITIES			-	-	-
TRANSFERS IN - FILING ENTITY CASH ACCOUNTS			-	-	-
MISCELLANEOUS					
TOTAL RECEIPTS	-	-	271,660	575,781	-
DISBURSEMENTS					
PAYROLL			22,475	-	-
PAYROLL TAXES			36,346	-	-
TRADE PAYABLES - THIRD PARTIES			-	232,275	-
TRADE PAYABLES - INTERCOMPANY			-	-	-
ACCOUNT SECURITIZATION			-	-	-
PAYMENTS AS SERVICER FOR GRPI			-	-	-
DIP PRINCIPAL REPAYMENTS			-	-	-
DIP INTEREST AND USAGE FEES			-	-	-
TRANSFERS OUT - THIRD PARTIES			148,922	250,000	-
TRANSFERS OUT - NONFILING ENTITIES			-	-	-
TRANSFERS OUT - FILING ENTITY CASH ACCOUNTS			-	-	-
MISCELLANEOUS			57,980	28,727	-
TOTAL DISBURSEMENTS	-	-	265,723	511,002	-
NET CASH FLOW (RECEIPTS LESS DISBURSEMENTS)	-	-	5,937	64,779	-
CASH - END OF MONTH	\$ -	\$ -	\$ 10,958	\$ 395,499	\$ -

**Note #1**

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## W. R. Grace &amp; Co. - Conn.

## Schedule of Cash Receipts and Disbursements

MOR-1

June 2010

	Banco Interam de Finanzas 7000107707	HSBC Operating Acct 1128001	Bank Boston Operating Acct 154519	Cash in Transit	Cash on Hand	Other
CASH BEGINNING OF MONTH	\$ -	\$ 500,724	\$ -	\$ 714,510	\$ 22,203	\$ 7,546,342
RECEIPTS						
ACCOUNTS RECEIVABLE - THIRD PARTIES	-	71,758				
ACCOUNTS RECEIVABLE - INTERCOMPANY	-	-				
ACCOUNTS RECEIVABLE AS SERVICER FOR GRPI	-	-				
DIP BORROWINGS	-	-				
TRANSFERS IN - THIRD PARTIES	-	-				
TRANSFERS IN - NONFILING ENTITIES	-	-				
TRANSFERS IN - FILING ENTITY CASH ACCOUNTS	-	-				
MISCELLANEOUS	-	-				
TOTAL RECEIPTS	-	71,758		-	-	-
DISBURSEMENTS						
PAYROLL	-	-				
PAYROLL TAXES	-	-				
TRADE PAYABLES - THIRD PARTIES	-	369,281				
TRADE PAYABLES - INTERCOMPANY	-	-				
ACCOUNT SECURITIZATION	-	-				
PAYMENTS AS SERVICER FOR GRPI	-	-				
DIP PRINCIPAL REPAYMENTS	-	-				
DIP INTEREST AND USAGE FEES	-	-				
TRANSFERS OUT - THIRD PARTIES	-	-			1,276,862	
TRANSFERS OUT - NONFILING ENTITIES	-	-				
TRANSFERS OUT - FILING ENTITY CASH ACCOUNTS	-	-				
MISCELLANEOUS	-	1,098				(975,869)
TOTAL DISBURSEMENTS	-	370,379		-	1,276,862	(975,869)
NET CASH FLOW (RECEIPTS LESS DISBURSEMENTS)	-	(298,621)		-	(1,276,862)	975,869
CASH - END OF MONTH	\$ -	\$ 202,104	\$ -	\$ 714,510	\$ (1,254,659)	\$ 8,522,211

## Note #1

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## W. R. Grace &amp; Co. - Conn

## Schedule of Cash Receipts and Disbursements

MOR-1

June 2010

	CURRENT MONTH	
	ACTUAL	PROJECTED
CASH BEGINNING OF MONTH	\$ 592,124,608	\$ -
RECEIPTS		
ACCOUNTS RECEIVABLE - THIRD PARTIES	103,933,874	
ACCOUNTS RECEIVABLE - INTERCOMPANY	26,446,956	
ACCOUNTS RECEIVABLE AS SERVICER FOR GRPI	-	
DIP BORROWINGS	-	
TRANSFERS IN - THIRD PARTIES	1,602,857	
TRANSFERS IN - NONFILING ENTITIES	6,652,892	
TRANSFERS IN - FILING ENTITY CASH ACCOUNTS	1,328,155,174	
MISCELLANEOUS	4,490,133	
TOTAL RECEIPTS	1,471,281,886	-
DISBURSEMENTS		
PAYROLL	11,106,719	
PAYROLL TAXES	5,551,486	
TRADE PAYABLES - THIRD PARTIES	90,557,417	
TRADE PAYABLES - INTERCOMPANY	-	
ACCOUNT SECURITIZATION	-	
PAYMENTS AS SERVICER FOR GRPI	-	
DIP PRINCIPAL REPAYMENTS	-	
DIP INTEREST AND USAGE FEES	-	
TRANSFERS OUT - THIRD PARTIES	10,082,129	
TRANSFERS OUT - NONFILING ENTITIES	1,471,927	
TRANSFERS OUT - FILING ENTITY CASH ACCOUNTS	1,333,068,557	
MISCELLANEOUS	940,759	
TOTAL DISBURSEMENTS	1,452,778,995	-
NET CASH FLOW (RECEIPTS LESS DISBURSEMENTS)	18,502,891	-
CASH - END OF MONTH	\$ 610,627,499	\$ -

## Note #1

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## Remedium Group, Inc.

## Schedule of Cash Receipts and Disbursements

MOR-1

June 1, 2010

	JP Morgan Chase Depository/Wire 323883842	JP Morgan Chase Disbursement 601831985	Other	CURRENT MONTH	
				ACTUAL	PROJECTED
CASH BEGINNING OF MONTH	\$ -	\$ (24,648)	\$ -	\$ (24,648)	\$ -
RECEIPTS					
ACCOUNTS RECEIVABLE - THIRD PARTIES				-	-
ACCOUNTS RECEIVABLE - INTERCOMPANY				-	-
ACCOUNTS RECEIVABLE AS SERVICER FOR GRPI				-	-
DIP BORROWINGS				-	-
TRANSFERS IN - THIRD PARTIES				-	-
TRANSFERS IN - NONFILING ENTITIES				-	-
TRANSFERS IN - FILING ENTITY CASH ACCOUNTS	2,287,677	302,322		2,589,999	
TOTAL RECEIPTS	2,287,677	302,322	-	2,589,999	-
DISBURSEMENTS					
PAYROLL				-	-
PAYROLL TAXES				-	-
TRADE PAYABLES - THIRD PARTIES				-	-
TRADE PAYABLES - INTERCOMPANY				-	-
ACCOUNT SECURITIZATION PAYMENTS AS SERVICER FOR GRPI				-	-
DIP PRINCIPAL REPAYMENTS				-	-
DIP INTEREST AND USAGE FEES				-	-
TRANSFERS OUT - THIRD PARTIES		293,371		293,371	
TRANSFERS OUT - NONFILING ENTITIES				-	-
TRANSFERS OUT - FILING ENTITY CASH ACCOUNTS	2,287,677			2,287,677	
MISCELLANEOUS				-	-
TOTAL DISBURSEMENTS	2,287,677	293,371	-	2,581,049	
NET CASH FLOW (RECEIPTS LESS DISBURSEMENTS)	-	8,951	-	8,951	
CASH - END OF MONTH	\$ -	\$ (15,698)	\$ -	\$ (15,698)	\$ -

W.R. Grace & Co. Schedule of Cash Receipts and Disbursements MOR-1 June 1, 2010			
	JP Morgan Chase Pass Through 323861963	CURRENT MONTH	
		ACTUAL	PROJECTED
CASH BEGINNING OF MONTH	\$ (251)	(251)	\$ -
RECEIPTS			
ACCOUNTS RECEIVABLE - THIRD PARTIES		-	
ACCOUNTS RECEIVABLE - INTERCOMPANY		-	
ACCOUNTS RECEIVABLE AS SERVICER FOR GRPI		-	
DIP BORROWINGS		-	
TRANSFERS IN - THIRD PARTIES		-	
TRANSFERS IN - NONFILING ENTITIES		-	
TRANSFERS IN - FILING ENTITY CASH ACCOUNTS	302,322	302,322	
TOTAL RECEIPTS	302,322	302,322	-
DISBURSEMENTS			
PAYROLL		-	
PAYROLL TAXES		-	
TRADE PAYABLES - THIRD PARTIES		-	
TRADE PAYABLES - INTERCOMPANY		-	
ACCOUNT SECURITIZATION PAYMENTS AS SERVICER FOR GRPI		-	
DIP PRINCIPAL REPAYMENTS		-	
DIP INTEREST AND USAGE FEES		-	
TRANSFERS OUT - THIRD PARTIES		-	
TRANSFERS OUT - NONFILING ENTITIES		-	
TRANSFERS OUT - FILING ENTITY CASH ACCOUNTS	302,322	302,322	
MISCELLANEOUS	(251)	(251)	
TOTAL DISBURSEMENTS	302,071	302,071	-
NET CASH FLOW (RECEIPTS LESS DISBURSEMENTS)	251	251	-
CASH - END OF MONTH	\$ (0)	\$ (0)	\$ -

Darex Puerto Rico, Inc.

## Schedule of Cash Receipts and Disbursements

MOR-1

June 1, 2010

	Citibank Operating Acct 300153011	Petty Cash	Other	Cash-in-Transit	CURRENT MONTH	
					ACTUAL	PROJECTED
CASH BEGINNING OF MONTH	\$ 710,199	\$ -	\$ -	\$ -	\$ 710,199	\$ -
RECEIPTS						
		No Activity	No Activity	No Activity		
ACCOUNTS RECEIVABLE - THIRD PARTIES	345,541				345,541	
ACCOUNTS RECEIVABLE - INTERCOMPANY					-	
ACCOUNTS RECEIVABLE AS SERVICER FOR GRPI					-	
DIP BORROWINGS					-	
TRANSFERS IN - THIRD PARTIES					-	
TRANSFERS IN - NONFILING ENTITIES					-	
TRANSFERS IN - FILING ENTITY CASH ACCOUNTS	269,068				269,068	
TOTAL RECEIPTS	614,609	-	-	-	614,609	-
DISBURSEMENTS						
PAYROLL	5,852				5,852	
PAYROLL TAXES	2,055				2,055	
TRADE PAYABLES - THIRD PARTIES	98,458				98,458	
TRADE PAYABLES - INTERCOMPANY					-	
ACCOUNT SECURITIZATION PAYMENTS AS SERVICER FOR GRPI					-	
DIP PRINCIPAL REPAYMENTS					-	
DIP INTEREST AND USAGE FEES					-	
TRANSFERS OUT - THIRD PARTIES					-	
TRANSFERS OUT - NONFILING ENTITIES					-	
TRANSFERS OUT - FILING ENTITY CASH ACCOUNTS	269,068				269,068	
MISCELLANEOUS					-	
TOTAL DISBURSEMENTS	375,434	-	-	-	375,434	-
NET CASH FLOW (RECEIPTS LESS DISBURSEMENTS)	239,175	-	-	-	239,175	-
CASH - END OF MONTH	\$ 949,374	\$ -	\$ -	\$ -	\$ 949,374	\$ -

Grace International Holdings			
Schedule of Cash Receipts and Disbursements			
MOR-1			
June 1, 2010			
	Grace International Holdings 323136524	CURRENT MONTH	
		ACTUAL	PROJECTED
CASH BEGINNING OF MONTH	\$ -	-	\$ -
RECEIPTS			
ACCOUNTS RECEIVABLE - THIRD PARTIES		-	
ACCOUNTS RECEIVABLE - INTERCOMPANY		-	
ACCOUNTS RECEIVABLE AS SERVICER FOR GRPI		-	
DIP BORROWINGS		-	
TRANSFERS IN - THIRD PARTIES		-	
TRANSFERS IN - NONFILING ENTITIES		-	
TRANSFERS IN - FILING ENTITY CASH ACCOUNTS		-	
TOTAL RECEIPTS	-	-	-
DISBURSEMENTS			
PAYROLL		-	
PAYROLL TAXES		-	
TRADE PAYABLES - THIRD PARTIES		-	
TRADE PAYABLES - INTERCOMPANY		-	
ACCOUNT SECURITIZATION PAYMENTS AS SERVICER FOR GRPI		-	
DIP PRINCIPAL REPAYMENTS		-	
DIP INTEREST AND USAGE FEES		-	
TRANSFERS OUT - THIRD PARTIES		-	
TRANSFERS OUT - NONFILING ENTITIES		-	
TRANSFERS OUT - FILING ENTITY CASH ACCOUNTS		-	
MISCELLANEOUS		-	
TOTAL DISBURSEMENTS	-	-	-
NET CASH FLOW (RECEIPTS LESS DISBURSEMENTS)	-	-	-
CASH - END OF MONTH	\$ -	\$ -	\$ -

CC Partners Schedule of Cash Receipts and Disbursements MOR-1 June 1, 2010			
	First Union Deposit Acct 2199500031802	CURRENT MONTH	
		ACTUAL	PROJECTED
CASH BEGINNING OF MONTH	\$ -	-	\$ -
RECEIPTS			
	No Activity		
ACCOUNTS RECEIVABLE - THIRD PARTIES		-	
ACCOUNTS RECEIVABLE - INTERCOMPANY		-	
ACCOUNTS RECEIVABLE AS SERVICER FOR GRPI		-	
DIP BORROWINGS		-	
TRANSFERS IN - THIRD PARTIES		-	
TRANSFERS IN - NONFILING ENTITIES		-	
TRANSFERS IN - FILING ENTITY CASH ACCOUNTS		-	
TOTAL RECEIPTS	-	-	-
DISBURSEMENTS			
PAYROLL		-	
PAYROLL TAXES		-	
TRADE PAYABLES - THIRD PARTIES		-	
TRADE PAYABLES - INTERCOMPANY		-	
ACCOUNT SECURITIZATION			
PAYMENTS AS SERVICER FOR GRPI		-	
DIP PRINCIPAL REPAYMENTS		-	
DIP INTEREST AND USAGE FEES		-	
TRANSFERS OUT - THIRD PARTIES		-	
TRANSFERS OUT - NONFILING ENTITIES		-	
TRANSFERS OUT - FILING ENTITY CASH ACCOUNTS		-	
MISCELLANEOUS		-	
TOTAL DISBURSEMENTS	-	-	-
NET CASH FLOW (RECEIPTS LESS DISBURSEMENTS)	-	-	-
CASH - END OF MONTH	\$ -	\$ -	\$ -

Kootenai Development Company			
Schedule of Cash Receipts and Disbursements			
MOR-1			
June 1, 2010			
	First National Bank of Montana 1049097	CURRENT MONTH	
		ACTUAL	PROJECTED
CASH BEGINNING OF MONTH	\$ 38,166	38,166	\$ -
RECEIPTS			
ACCOUNTS RECEIVABLE - THIRD PARTIES		-	
ACCOUNTS RECEIVABLE - INTERCOMPANY		-	
ACCOUNTS RECEIVABLE AS SERVICER FOR GRPI		-	
DIP BORROWINGS		-	
TRANSFERS IN - THIRD PARTIES		-	
TRANSFERS IN - NONFILING ENTITIES		-	
TRANSFERS IN - FILING ENTITY CASH ACCOUNTS	40,000	40,000	
TOTAL RECEIPTS	40,000	40,000	-
DISBURSEMENTS			
PAYROLL		-	
PAYROLL TAXES		-	
TRADE PAYABLES - THIRD PARTIES		-	
TRADE PAYABLES - INTERCOMPANY		-	
ACCOUNT SECURITIZATION		-	
PAYMENTS AS SERVICER FOR GRPI		-	
DIP PRINCIPAL REPAYMENTS		-	
DIP INTEREST AND USAGE FEES		-	
TRANSFERS OUT - THIRD PARTIES	39,084	39,084	
TRANSFERS OUT - NONFILING ENTITIES		-	
TRANSFERS OUT - FILING ENTITY CASH ACCOUNTS		-	
MISCELLANEOUS		-	
TOTAL DISBURSEMENTS	39,084	39,084	-
NET CASH FLOW (RECEIPTS LESS DISBURSEMENTS)	916	916	-
CASH - END OF MONTH	\$ 39,082	\$ 39,082	\$ -

Grace Europe, Inc. Schedule of Cash Receipts and Disbursements MOR-1 June 1, 2010			
	Barclays Bank PLC	CURRENT MONTH	
		ACTUAL	PROJECTED
CASH BEGINNING OF MONTH	\$ -	-	\$ -
RECEIPTS			
	No Activity		
ACCOUNTS RECEIVABLE - THIRD PARTIES		-	
ACCOUNTS RECEIVABLE - INTERCOMPANY		-	
ACCOUNTS RECEIVABLE AS SERVICER FOR GRPI		-	
DIP BORROWINGS		-	
TRANSFERS IN - THIRD PARTIES		-	
TRANSFERS IN - NONFILING ENTITIES		-	
TRANSFERS IN - FILING ENTITY CASH ACCOUNTS		-	
TOTAL RECEIPTS	-	-	-
DISBURSEMENTS			
PAYROLL		-	
PAYROLL TAXES		-	
TRADE PAYABLES - THIRD PARTIES		-	
TRADE PAYABLES - INTERCOMPANY		-	
ACCOUNT SECURITIZATION PAYMENTS AS SERVICER FOR GRPI		-	
DIP PRINCIPAL REPAYMENTS		-	
DIP INTEREST AND USAGE FEES		-	
TRANSFERS OUT - THIRD PARTIES		-	
TRANSFERS OUT - NONFILING ENTITIES		-	
TRANSFERS OUT - FILING ENTITY CASH ACCOUNTS		-	
MISCELLANEOUS		-	
TOTAL DISBURSEMENTS	-	-	-
NET CASH FLOW (RECEIPTS LESS DISBURSEMENTS)	-	-	-
CASH - END OF MONTH	\$ -	\$ -	\$ -



<b>Gloucester New Communities Company, Inc.</b> <b>Schedule of Cash Receipts and Disbursements</b> <b>MOR-1</b> <b>June 1, 2010</b>			
	Cash On Hand	CURRENT MONTH	
		ACTUAL	PROJECTED
CASH BEGINNING OF MONTH	\$ 500	500	\$ -
RECEIPTS			
	No Activity		
ACCOUNTS RECEIVABLE - THIRD PARTIES		-	
ACCOUNTS RECEIVABLE - INTERCOMPANY		-	
ACCOUNTS RECEIVABLE AS SERVICER FOR GRPI		-	
DIP BORROWINGS		-	
TRANSFERS IN - THIRD PARTIES		-	
TRANSFERS IN - NONFILING ENTITIES		-	
TRANSFERS IN - FILING ENTITY CASH ACCOUNTS		-	
TOTAL RECEIPTS	-	-	-
DISBURSEMENTS			
PAYROLL		-	
PAYROLL TAXES		-	
TRADE PAYABLES - THIRD PARTIES		-	
TRADE PAYABLES - INTERCOMPANY		-	
ACCOUNT SECURITIZATION PAYMENTS AS SERVICER FOR GRPI		-	
DIP PRINCIPAL REPAYMENTS		-	
DIP INTEREST AND USAGE FEES		-	
TRANSFERS OUT - THIRD PARTIES		-	
TRANSFERS OUT - NONFILING ENTITIES		-	
TRANSFERS OUT - FILING ENTITY CASH ACCOUNTS		-	
MISCELLANEOUS		-	
TOTAL DISBURSEMENTS	-	-	-
NET CASH FLOW (RECEIPTS LESS DISBURSEMENTS)	-	-	-
CASH - END OF MONTH	\$ 500	\$ 500	\$ -

Dewey & Almy, LLC			
Schedule of Cash Receipts and Disbursements			
MOR-1			
June 1, 2010			
	Miscellaneous	CURRENT MONTH	
		ACTUAL	PROJECTED
CASH BEGINNING OF MONTH	\$ -	-	\$ -
RECEIPTS			
	No Activity		
ACCOUNTS RECEIVABLE - THIRD PARTIES		-	
ACCOUNTS RECEIVABLE - INTERCOMPANY		-	
ACCOUNTS RECEIVABLE AS SERVICER FOR GRPI		-	
DIP BORROWINGS		-	
TRANSFERS IN - THIRD PARTIES		-	
TRANSFERS IN - NONFILING ENTITIES		-	
TRANSFERS IN - FILING ENTITY CASH ACCOUNTS		-	
TOTAL RECEIPTS	-	-	-
DISBURSEMENTS			
PAYROLL		-	
PAYROLL TAXES		-	
TRADE PAYABLES - THIRD PARTIES		-	
TRADE PAYABLES - INTERCOMPANY		-	
ACCOUNT SECURITIZATION			
PAYMENTS AS SERVICER FOR GRPI		-	
DIP PRINCIPAL REPAYMENTS		-	
DIP INTEREST AND USAGE FEES		-	
TRANSFERS OUT - THIRD PARTIES		-	
TRANSFERS OUT - NONFILING ENTITIES		-	
TRANSFERS OUT - FILING ENTITY CASH ACCOUNTS		-	
MISCELLANEOUS		-	
TOTAL DISBURSEMENTS	-	-	-
NET CASH FLOW (RECEIPTS LESS DISBURSEMENTS)	-	-	-
CASH - END OF MONTH	\$ -	\$ -	\$ -

June 30, 2010

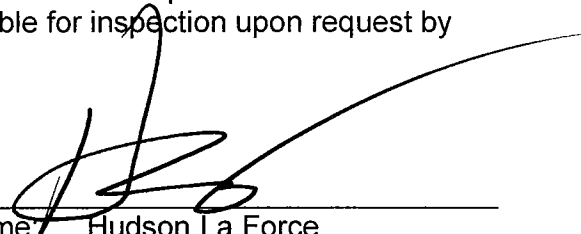
Office of the United States Trustee

Subject: Attestation Regarding Bank Account Reconciliations

The debtor, W. R. Grace & Co, et al, hereby submits this attestation regarding bank account reconciliations in lieu of providing copies of bank statements and copies of all account reconciliations.

The debtor has, on a timely basis, performed all bank account reconciliations in the ordinary course of business. Copies of bank account statements and reconciliations are available for inspection upon request by the United States Trustee's Office.

GRACE

  
Name: Hudson La Force  
Position: Senior Vice President and  
Chief Financial Officer

Sworn to and Subscribed  
before me on this 2<sup>nd</sup>  
day of August, 2010.

LEAH ANGLE  
NOTARY PUBLIC STATE OF MARYLAND  
My Commission Expires September 13, 2011

*Leah Reynolds* commissioned as *Leah Angle*

**W.R. Grace & Co. - Chapter 11 Filing Entities**  
**Combining Statement of Operations**  
**MOR - 2**  
**Month Ended May 31, 2010**

	W.R. Grace & Co. - Conn.	W.R. Grace & Co.	Remedium Group, Inc.	CCHP, Inc.	CC Partners	Grace Washington, Inc.	Litigation Management, Inc.	Grace Europe, Inc.	LB Realty, Inc.
<i>IRIS numbers</i>	all Conn*	005	063	074	078	197	317	407/702	495
Net sales to third parties	\$ 77,637,350	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net sales to non-filing entities	32,403,463	-	-	-	-	-	-	-	-
Net sales to filing entities	224,690	-	-	-	-	-	-	-	-
Interest and royalties from non-filing entities, net	2,840,711	-	-	-	-	-	-	-	-
Interest and royalties from filing entities, net	325,754	5,140,989	762,559	19,173	845,233	-	2,602,915	-	-
	113,431,968	5,140,989	762,559	19,173	845,233	-	2,602,915	-	-
Cost of goods sold to third parties	47,546,484	-	-	-	-	-	-	-	-
Cost of goods sold to non-filing entities	21,203,074	-	-	-	-	-	-	-	-
Cost of goods sold to filing entities	144,730	-	-	-	-	-	-	-	-
Cost of goods sold to related parties	(329,613)	-	-	-	-	-	-	-	-
Selling, general and administrative expenses	21,220,967	-	(1,847)	-	-	20,000	-	-	-
Restructuring expenses	263,709	-	-	-	-	-	-	-	-
Research and development expenses	2,489,578	-	-	-	-	-	-	-	-
Defined benefit pension expense	3,499,275	-	-	-	-	-	-	-	-
Depreciation and amortization	6,852,434	-	1,847	-	-	-	-	-	-
Interest expense	4,093,814	-	-	-	-	-	-	-	-
Other expense (income), net	(3,417,226)	-	(836)	-	-	-	-	-	-
Chapter 11 reorganization expenses, net of interest income	294,246	-	-	-	-	-	-	-	-
	103,861,473	-	(836)	-	-	20,000	-	-	-
(Loss) income before income taxes, noncontrolling interest and equity in net income of non-filing entities	9,570,494	5,140,989	763,395	19,173	845,233	(20,000)	2,602,915	-	-
(Provision for) benefit from income taxes	(410,192)	(1,799,346)	(228,290)	(6,710)	(295,832)	(13,439)	(911,020)	-	-
Noncontrolling interest in income of subsidiary	-	-	-	-	-	-	-	-	-
Equity in net income of non-filing entities	-	-	-	-	-	-	-	-	-
<b>Net (loss) income</b>	<b>\$ 9,160,303</b>	<b>\$ 3,341,643</b>	<b>\$ 535,105</b>	<b>\$ 12,463</b>	<b>\$ 549,401</b>	<b>\$ (33,439)</b>	<b>\$ 1,691,895</b>	<b>\$ -</b>	<b>\$ -</b>

**Note #2**

Certain de minimis expenditures, including state registration fees, business license fees and certain taxes, of affiliated companies are accounted for in the statement of operations of W. R. Grace & Co. - Conn.

## W.R. Grace &amp; Co. - Chapter 11 Filing Entities

## Combining Statement of Operations

MOR - 2

Month Ended May 31, 2010

	Grace International Holdings, Inc.	Darex Puerto Rico, Inc.	Alewite Land Corporation	Alewite Boston, Ltd.	Five Alewife Boston Ltd.	GN Holdings, Inc.	MRA Holdings Corp.	MRA Intermedco, Inc.	MRA Staffing Systems, Inc.
<i>IRIS numbers</i>	543	798	069	070	71	073	075	076	077
Net sales to third parties	\$ -	\$ 293,463	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net sales to non-filing entities	-	-	-	-	-	-	-	-	-
Net sales to filing entities	-	-	-	-	-	-	-	-	-
Interest and royalties from non-filing entities, net	-	-	-	-	-	-	-	-	-
Interest and royalties from filing entities, net	2,477,388	-	-	-	-	-	-	-	-
	2,477,388	293,463	-	-	-	-	-	-	-
Cost of goods sold to third parties	-	157,651	5,066	-	-	-	-	-	-
Cost of goods sold to non-filing entities	-	-	-	-	-	-	-	-	-
Cost of goods sold to filing entities	-	-	-	-	-	-	-	-	-
Cost of goods sold to related parties	-	-	-	-	-	-	-	-	-
Selling, general and administrative expenses	-	34,497	-	-	-	-	-	-	-
Restructuring expenses	-	-	-	-	-	-	-	-	-
Research and development expenses	-	-	-	-	-	-	-	-	-
Defined benefit pension expense	-	-	-	-	-	-	-	-	-
Depreciation and amortization	-	68,823	-	-	-	-	-	-	-
Interest expense	-	-	-	-	-	-	-	-	-
Other expense (income), net	-	(192)	-	-	-	-	-	-	-
Chapter 11 reorganization expenses, net of interest income	-	-	-	-	-	-	-	-	-
	-	260,780	5,066	-	-	-	-	-	-
(Loss) income before income taxes, noncontrolling interest and equity in net income of non-filing entities	2,477,388	32,684	(5,066)	-	-	-	-	-	-
(Provision for) benefit from income taxes	192,233	(2,872)	1,773	-	-	-	-	-	-
Noncontrolling interest in income of subsidiary	-	-	-	-	-	-	-	-	-
Equity in net income of non-filing entities	-	-	-	-	-	-	-	-	-
<b>Net (loss) income</b>	<b>\$ 2,669,621</b>	<b>\$ 29,812</b>	<b>\$ (3,293)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

**Note #2**

Certain de minimis expenditures, including state registration fees, business license fees and certain taxes, of affiliated companies are accounted for in the statement of operations of W. R. Grace & Co. - Conn.

**W.R. Grace & Co. - Chapter 11 Filing Entities**  
**Combining Statement of Operations**  
**MOR - 2**  
**Month Ended May 31, 2010**

	Kootenai Development Company	CB Biomedical, Inc.	Amicon, Inc.	Grace Environmental, Inc.	Grace Chemical Company of Cuba	Southern oil Resin & Fiberglass, Inc.	Guarica-Caribe Land Development Corporation	Dewey & Almy, LLC	A-1 Bit & Tool Co., Inc.
<i>IRIS numbers</i>	079	125	174	198	305	318	376	406/408	458
Net sales to third parties	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net sales to non-filing entities	-	-	-	-	-	-	-	-	-
Net sales to filing entities	-	-	-	-	-	-	-	-	-
Interest and royalties from non-filing entities, net	-	-	-	-	-	-	-	-	-
Interest and royalties from filing entities, net	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
Cost of goods sold to third parties	-	-	-	-	-	-	-	-	-
Cost of goods sold to non-filing entities	-	-	-	-	-	-	-	-	-
Cost of goods sold to filing entities	-	-	-	-	-	-	-	-	-
Cost of goods sold to related parties	-	-	-	-	-	-	-	-	-
Selling, general and administrative expenses	39,084	-	-	-	-	-	-	-	-
Restructuring expenses	-	-	-	-	-	-	-	-	-
Research and development expenses	-	-	-	-	-	-	-	-	-
Defined benefit pension expense	-	-	-	-	-	-	-	-	-
Depreciation and amortization	314	-	-	-	-	-	-	-	-
Interest expense	-	-	-	-	-	-	-	-	-
Other expense (income), net	-	-	-	-	-	-	-	-	-
Chapter 11 reorganization expenses, net of interest income	-	-	-	-	-	-	-	-	-
	39,398	-	-	-	-	-	-	-	-
(Loss) income before income taxes, noncontrolling interest and equity in net income of non-filing entities	(39,398)	-	-	-	-	-	-	-	-
(Provision for) benefit from income taxes	13,789	-	-	-	-	-	-	-	-
Noncontrolling interest in income of subsidiary	-	-	-	-	-	-	-	-	-
Equity in net income of non-filing entities	-	-	-	-	-	-	-	-	-
<b>Net (loss) income</b>	<b>\$ (25,609)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

**Note #2**

Certain de minimis expenditures, including state registration fees, business license fees and certain taxes, of affiliated companies are accounted for in the statement of operations of W. R. Grace & Co. - Conn.

**W.R. Grace & Co. - Chapter 11 Filing Entities**  
**Combining Statement of Operations**  
**MOR - 2**  
**Month Ended May 31, 2010**

	Grace Tarpon Investors, Inc.	G C Limited Partners I, Inc.	Monolith Enterprises, Incorporated	Grace Culinary Systems, Inc.	Grace Hotel Services Corporation	Monroe Street Inc.	Grace H-G Inc.	Hanover Square Corporation	Ecarg, Inc.
<i>IRIS numbers</i>	482	465	477	479	480	481	506	516	519
Net sales to third parties	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net sales to non-filing entities	-	-	-	-	-	-	-	-	-
Net sales to filing entities	-	-	-	-	-	-	-	-	-
Interest and royalties from non-filing entities, net	-	-	-	-	-	-	-	-	-
Interest and royalties from filing entities, net	-	-	-	-	-	-	-	-	-
Cost of goods sold to third parties	-	-	-	-	-	-	-	-	-
Cost of goods sold to non-filing entities	-	-	-	-	-	-	-	-	-
Cost of goods sold to filing entities	-	-	-	-	-	-	-	-	-
Cost of goods sold to related parties	-	-	-	-	-	-	-	-	-
Selling, general and administrative expenses	-	-	-	-	-	-	-	-	-
Restructuring expenses	-	-	-	-	-	-	-	-	-
Research and development expenses	-	-	-	-	-	-	-	-	-
Defined benefit pension expense	-	-	-	-	-	-	-	-	-
Depreciation and amortization	-	-	-	-	-	-	-	-	-
Interest expense	-	-	-	-	-	-	-	-	-
Other expense (income), net	-	-	-	-	-	-	-	-	-
Chapter 11 reorganization expenses, net of interest income	-	-	-	-	-	-	-	-	-
(Loss) income before income taxes, noncontrolling interest and equity in net income of non-filing entities	-	-	-	-	-	-	-	-	-
(Provision for) benefit from income taxes	-	-	-	-	-	-	-	-	-
Noncontrolling interest in income of subsidiary	-	-	-	-	-	-	-	-	-
Equity in net income of non-filing entities	-	-	-	-	-	-	-	-	-
<b>Net (loss) income</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

**Note #2**

Certain de minimis expenditures, including state registration fees, business license fees and certain taxes, of affiliated companies are accounted for in the statement of operations of W. R. Grace & Co. - Conn.

**W.R. Grace & Co. - Chapter 11 Filing Entities**  
**Combining Statement of Operations**  
**MOR - 2**  
**Month Ended May 31, 2010**

	W.R. Grace Land Corporation	G.C. Management, Inc.	Water Street Corporation	Del Taco Restaurants, Inc.	W.R. Grace Capital Corporation	Gloucester New Communities Company, Inc.	Creative Food 'N' Fun Company	Grace PAR Corporation	Grace A-B Inc.
<i>IRIS numbers</i>	523	539	548	557	563	572	587	621	625
Net sales to third parties	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net sales to non-filing entities	-	-	-	-	-	-	-	-	-
Net sales to filing entities	-	-	-	-	-	-	-	-	-
Interest and royalties from non-filing entities, net	-	-	-	-	-	-	-	-	-
Interest and royalties from filing entities, net	-	-	-	-	-	-	-	-	-
Cost of goods sold to third parties	-	-	-	-	-	-	-	-	-
Cost of goods sold to non-filing entities	-	-	-	-	-	-	-	-	-
Cost of goods sold to filing entities	-	-	-	-	-	-	-	-	-
Cost of goods sold to related parties	-	-	-	-	-	-	-	-	-
Selling, general and administrative expenses	-	-	-	-	-	-	-	-	-
Restructuring expenses	-	-	-	-	-	-	-	-	-
Research and development expenses	-	-	-	-	-	-	-	-	-
Defined benefit pension expense	-	-	-	-	-	-	-	-	-
Depreciation and amortization	-	-	-	-	-	-	-	-	-
Interest expense	-	-	-	-	-	-	-	-	-
Other expense (income), net	-	-	-	-	-	-	-	-	-
Chapter 11 reorganization expenses, net of interest income	-	-	-	-	-	-	-	-	-
(Loss) income before income taxes, noncontrolling interest and equity in net income of non-filing entities	-	-	-	-	-	-	-	-	-
(Provision for) benefit from income taxes	-	-	-	-	-	-	-	-	-
Noncontrolling interest in income of subsidiary	-	-	-	-	-	-	-	-	-
Equity in net income of non-filing entities	-	-	-	-	-	-	-	-	-
<b>Net (loss) income</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

**Note #2**

Certain de minimis expenditures, including state registration fees, business license fees and certain taxes, of affiliated companies are accounted for in the statement of operations of W. R. Grace & Co. - Conn.



**W.R. Grace & Co. - Chapter 11 Filing Entities**  
**Combining Statement of Operations**  
**MOR - 2**  
**Month Ended May 31, 2010**

	Homco International, Inc.	GPC Thomasville Corp.	Grace Ventures Corp.	Grace Energy Corporation	GEC Management Corporation	Grace Offshore Company	Coalgrace, Inc.	Grace A-B II Inc.	Grace H-G II Inc.
<i>IRIS numbers</i>	631	637	664	681	689	822	824	827	828
Net sales to third parties	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net sales to non-filing entities	-	-	-	-	-	-	-	-	-
Net sales to filing entities	-	-	-	-	-	-	-	-	-
Interest and royalties from non-filing entities, net	-	-	-	-	-	-	-	-	-
Interest and royalties from filing entities, net	-	-	-	-	-	-	-	-	-
Cost of goods sold to third parties	-	-	-	-	-	-	-	-	-
Cost of goods sold to non-filing entities	-	-	-	-	-	-	-	-	-
Cost of goods sold to filing entities	-	-	-	-	-	-	-	-	-
Cost of goods sold to related parties	-	-	-	-	-	-	-	-	-
Selling, general and administrative expenses	-	-	-	-	-	-	-	-	-
Restructuring expenses	-	-	-	-	-	-	-	-	-
Research and development expenses	-	-	-	-	-	-	-	-	-
Defined benefit pension expense	-	-	-	-	-	-	-	-	-
Depreciation and amortization	-	-	-	-	-	-	-	-	-
Interest expense	-	-	-	-	-	-	-	-	-
Other expense (income), net	-	-	-	-	-	-	-	-	-
Chapter 11 reorganization expenses, net of interest income	-	-	-	-	-	-	-	-	-
(Loss) income before income taxes, noncontrolling interest and equity in net income of non-filing entities	-	-	-	-	-	-	-	-	-
(Provision for) benefit from income taxes	-	-	-	-	-	-	-	-	-
Noncontrolling interest in income of subsidiary	-	-	-	-	-	-	-	-	-
Equity in net income of non-filing entities	-	-	-	-	-	-	-	-	-
<b>Net (loss) income</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

**Note #2**

Certain de minimis expenditures, including state registration fees, business license fees and certain taxes, of affiliated companies are accounted for in the statement of operations of W. R. Grace & Co. - Conn.

**W.R. Grace & Co. - Chapter 11 Filing Entities**  
**Combining Statement of Operations**  
**MOR - 2**  
**Month Ended May 31, 2010**

	Coalgrace II, Inc.	Gracoal II, Inc.	Gracoal, Inc.	Grace Drilling Company	Grace Petroleum Libya Incorporated	Axial Basin Ranch Company	Hayden-Gulch West Coal Company	H-G Coal Company
<i>IRIS numbers</i>	835	848	856	877	880	na	na	na
Net sales to third parties	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net sales to non-filing entities	-	-	-	-	-	-	-	-
Net sales to filing entities	-	-	-	-	-	-	-	-
Interest and royalties from non-filing entities, net	-	-	-	-	-	-	-	-
Interest and royalties from filing entities, net	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
Cost of goods sold to third parties	-	-	-	-	-	-	-	-
Cost of goods sold to non-filing entities	-	-	-	-	-	-	-	-
Cost of goods sold to filing entities	-	-	-	-	-	-	-	-
Cost of goods sold to related parties	-	-	-	-	-	-	-	-
Selling, general and administrative expenses	-	-	-	-	-	-	-	-
Restructuring expenses	-	-	-	-	-	-	-	-
Research and development expenses	-	-	-	-	-	-	-	-
Defined benefit pension expense	-	-	-	-	-	-	-	-
Depreciation and amortization	-	-	-	-	-	-	-	-
Interest expense	-	-	-	-	-	-	-	-
Other expense (income), net	-	-	-	-	-	-	-	-
Chapter 11 reorganization expenses, net of interest income	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
(Loss) income before income taxes, noncontrolling interest and equity in net income of non-filing entities	-	-	-	-	-	-	-	-
(Provision for) benefit from income taxes	-	-	-	-	-	-	-	-
Noncontrolling interest in income of subsidiary	-	-	-	-	-	-	-	-
Equity in net income of non-filing entities	-	-	-	-	-	-	-	-
<b>Net (loss) income</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

**Note #2**

Certain de minimis expenditures, including state registration fees, business license fees and certain taxes, of affiliated companies are accounted for in the statement of operations of W. R. Grace & Co. - Conn.

W.R. Grace & Co. - Chapter 11 Filing Entities Combining Statement of Operations MOR - 2 Month Ended May 31, 2010			
	Eliminations between Filing Entities	Conversion to Equity Method	COMBINED FILING ENTITIES
<i>IRIS numbers</i>	LEVEL 2	BNF/L3/M	
Net sales to third parties	\$ -	\$ -	\$ 77,930,813
Net sales to non-filing entities	-	-	\$ 32,403,463
Net sales to filing entities	(224,690)	-	\$ -
Interest and royalties from non-filing entities, net	-	-	\$ 2,840,711
Interest and royalties from filing entities, net	(12,174,010)	-	\$ -
	(12,398,700)	-	\$ 113,174,987
Cost of goods sold to third parties	-	-	\$ 47,709,202
Cost of goods sold to non-filing entities	-	-	\$ 21,203,074
Cost of goods sold to filing entities	(144,730)	-	\$ -
Cost of goods sold to related parties	-	-	\$ (329,613)
Selling, general and administrative expenses	-	-	\$ 21,312,700
Restructuring expenses	-	-	\$ 263,709
Research and development expenses	-	-	\$ 2,489,578
Defined benefit pension expense	-	-	\$ 3,499,275
Depreciation and amortization	-	-	\$ 6,923,418
Interest expense	-	-	\$ 4,093,814
Other expense (income), net	-	-	\$ (3,418,254)
Chapter 11 reorganization expenses, net of interest income	-	-	\$ 294,246
	(144,730)	-	\$ 104,041,150
(Loss) income before income taxes, noncontrolling interest and equity in net income of non-filing entities	(12,253,970)	-	\$ 9,133,837
(Provision for) benefit from income taxes	-	-	\$ (3,459,906)
Noncontrolling interest in income of subsidiary	-	-	\$ -
Equity in net income of non-filing entities	-	17,250,295	\$ 17,250,295
<b>Net (loss) income</b>	<b>\$(12,253,970)</b>	<b>\$ 17,250,295</b>	<b>\$ 22,924,226</b>

**Note #2**

Certain de minimis expenditures, including state registration fees, business license fees and certain taxes, of affiliated companies are accounted for in the statement of operations of W. R. Grace & Co. - Conn.

## W. R. Grace &amp; Co. - Chapter 11 Filing Entities

## Combining Balance Sheet

MOR - 3

June 30, 2010

	W. R. Grace & Co. - Conn	W. R. Grace & Co.	Remedium Group, Inc.	CCHP, Inc.	CC Partners
<b>ASSETS</b>					
<b>Current Assets</b>					
Cash and cash equivalents	\$ 610,627,499	\$ -	\$ (15,698)	\$ -	\$ -
Restricted cash and cash equivalents related to letter of credit facility	76,600,000	-	-	-	-
Cash value of life insurance policies, net of policy loans	-	-	-	-	-
Accounts and other receivables, net	113,483,003	-	-	-	-
Accounts receivable - related party	6,545,608	-	-	-	-
Receivables from/(payables to) filing and non-filing entities, net	301,298,481	(319,279,440)	(26,569,762)	12,872,292	(69,845,902)
Inventories	102,259,449	-	-	-	-
Deferred income taxes	28,711,801	-	(1,589,290)	-	-
Other current assets	22,861,256	-	-	-	-
<b>Total Current Assets</b>	<b>1,262,387,097</b>	<b>(319,279,440)</b>	<b>(28,174,750)</b>	<b>12,872,292</b>	<b>(69,845,902)</b>
Properties and equipment, net	388,691,857	-	300,705	-	-
Goodwill	24,063,463	-	-	-	-
Deferred income taxes	999,870,190	-	23,348,418	-	-
Asbestos-related insurance receivable	500,000,000	-	-	-	-
Loans receivable from/(payable to) filing and non-filing entities, net	(1,909,311,254)	1,200,361,377	119,315,185	6,316,983	274,291,513
Investment in filing and non-filing entities	1,143,468,771	241,512,111	-	-	-
Overfunded defined benefit pension plans	208,568	-	-	-	-
Investment of unconsolidated affiliates	56,806,618	-	-	-	-
Other assets	69,324,377	-	-	-	-
<b>Total Assets</b>	<b>\$ 2,535,509,688</b>	<b>\$ 1,122,594,047</b>	<b>\$ 114,789,559</b>	<b>\$ 19,189,275</b>	<b>\$ 204,445,610</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIT)</b>					
<b>Liabilities Not Subject to Compromise</b>					
<b>Current Liabilities</b>					
Debt payable within one year	\$ 201,985	-	\$ -	\$ -	\$ -
Debt payable - related party	1,880,364	-	-	-	-
Accounts payable	83,751,332	-	495,933	-	-
Accounts payable - related party	112,021	-	-	-	-
Income taxes payable	1,622,868	-	-	-	-
Asbestos-related liability expected to be disbursed within one year	-	-	-	-	-
Other current liabilities	91,097,421	-	(40,284)	-	-
<b>Total Current Liabilities</b>	<b>178,665,991</b>	<b>-</b>	<b>455,649</b>	<b>-</b>	<b>-</b>
Debt payable after one year	182,516	-	-	-	-
Debt payable - related party	11,853,118	-	-	-	-
Underfunded defined benefit pension plans	426,558,365	-	-	-	-
Other liabilities	29,862,035	-	-	-	-
<b>Total Liabilities Not Subject to Compromise</b>	<b>837,510,492</b>	<b>-</b>	<b>455,649</b>	<b>-</b>	<b>-</b>
<b>Liabilities Subject to Compromise</b>					
Debt, pre-petition plus accrued interest	864,278,638	-	-	-	-
Drawn letters of credit plus accrued interest	32,063,201	-	-	-	-
Income tax contingences	(176,227,933)	139,230,279	(10,477,441)	590,869	26,617,362
Asbestos-related contingences	1,700,000,000	-	-	-	-
Environmental contingences	83,232,682	-	62,168,937	-	-
Postretirement benefits	176,570,229	-	-	-	-
Other liabilities and accrued interest	141,952,656	-	656,146	-	-
<b>Total Liabilities Subject to Compromise</b>	<b>2,821,869,473</b>	<b>139,230,279</b>	<b>52,347,643</b>	<b>590,869</b>	<b>26,617,362</b>
<b>Total Liabilities</b>	<b>3,659,379,965</b>	<b>139,230,279</b>	<b>52,803,292</b>	<b>590,869</b>	<b>26,617,362</b>
<b>Equity (Deficit)</b>					
Preferred stock	-	-	-	-	-
Common stock	83,968,960	841,416	12,223	1,000	-
Paid in capital	144,899,878	444,662,016	9,724,449	34,052,467	56,011,577
(Accumulated deficit)/Retained earnings	(787,046,538)	588,064,070	52,249,595	(15,455,060)	121,816,672
Treasury stock, at cost	-	(50,203,834)	-	-	-
Accumulated other comprehensive (loss) income	(565,822,577)	100	-	-	-
<b>Total W.R. Grace &amp; Co. - Chapter 11 Filing Entities Equity (Deficit)</b>	<b>(1,124,000,278)</b>	<b>983,363,768</b>	<b>61,986,267</b>	<b>18,598,406</b>	<b>177,828,248</b>
Noncontrolling interest	130,000	-	-	-	-
<b>Total Equity (Deficit)</b>	<b>(1,123,870,278)</b>	<b>983,363,768</b>	<b>61,986,267</b>	<b>18,598,406</b>	<b>177,828,248</b>
<b>Total Liabilities and Equity (Deficit)</b>	<b>\$ 2,535,509,688</b>	<b>\$ 1,122,594,047</b>	<b>\$ 114,789,559</b>	<b>\$ 19,189,275</b>	<b>\$ 204,445,610</b>

## Note #3

Certain contingent liabilities of divested businesses are included on the balance sheet of W. R. Grace & Co. - Conn as it is not practical to determine which Debtor bears the ultimate obligation.

## W. R. Grace &amp; Co. - Chapter 11 Filing Entities

## Combining Balance Sheet

MOR - 3

June 30, 2010

	Grace Washington, Inc.	Litigation Management, Inc.	Grace Europe, Inc.	L B Realty, Inc.	Grace International Holdings, Inc.	Darex Puerto Rico, Inc.
<b>ASSETS</b>						
<b>Current Assets</b>						
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 949,374
Restricted cash and cash equivalents related to letter of credit facility	-	-	-	-	-	-
Cash value of life insurance policies, net of policy loans	-	-	-	-	-	-
Accounts and other receivables, net	-	-	76,265	-	-	1,118,933
Accounts receivable - related party	-	-	-	-	-	-
Receivables from/(payables to) filing and non-filing entities, net	(12,975,518)	(386,938,610)	5,637,199	140,524,854	(93,406,106)	2,577,753
Inventories	-	-	-	-	-	124,155
Deferred income taxes	-	-	0	-	-	38,315
Other current assets	-	-	-	-	-	0
<b>Total Current Assets</b>	<b>(12,975,518)</b>	<b>(386,938,610)</b>	<b>5,713,464</b>	<b>140,524,854</b>	<b>(93,406,106)</b>	<b>4,808,530</b>
Properties and equipment, net	-	-	-	-	-	393,806
Goodwill	-	-	-	-	-	1,256,948
Deferred income taxes	-	-	-	-	-	-
Asbestos-related insurance receivable	-	-	-	-	-	-
Loans receivable from/(payable to) filing and non-filing entities, net	-	669,365,847	(3,266,354)	-	25,270,968	-
Investment in filing and non-filing entities	-	-	-	-	58,669,464	-
Overfunded defined benefit pension plans	-	-	-	-	-	-
Investment of unconsolidated affiliates	-	-	-	-	-	-
Other assets	-	-	54,000	-	-	4,573,214
<b>Total Assets</b>	<b>\$ (12,975,518)</b>	<b>\$ 282,427,238</b>	<b>\$ 2,501,110</b>	<b>\$ 140,524,854</b>	<b>\$ (9,465,673)</b>	<b>\$ 11,032,497</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIT)</b>						
<b>Liabilities Not Subject to Compromise</b>						
<b>Current Liabilities</b>						
Debt payable within one year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Debt payable - related party	-	-	-	-	-	-
Accounts payable	-	-	20,502	-	-	635,375
Accounts payable - related party	-	-	-	-	-	-
Income taxes payable	-	-	-	-	-	(1,622,600)
Asbestos-related liability expected to be disbursed within one year	-	-	-	-	-	-
Other current liabilities	1,892	-	357,757	-	-	319,327
<b>Total Current Liabilities</b>	<b>1,892</b>	<b>-</b>	<b>378,259</b>	<b>-</b>	<b>-</b>	<b>(667,898)</b>
Debt payable after one year	-	-	-	-	-	-
Debt payable - related party	-	-	-	-	-	-
Underfunded defined benefit pension plans	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-
<b>Total Liabilities Not Subject to Compromise</b>	<b>1,892</b>	<b>-</b>	<b>378,259</b>	<b>-</b>	<b>(169,509)</b>	<b>(638,350)</b>
<b>Liabilities Subject to Compromise</b>						
Debt, pre-petition plus accrued interest	-	-	-	-	-	-
Drawn letters of credit plus accrued interest	-	-	-	-	-	-
Income tax contingences	(165,766)	81,991,306	(1,043,198)	(150)	(10,825,744)	550,447
Asbestos-related contingences	-	-	-	-	-	-
Environmental contingences	-	-	-	-	-	-
Postretirement benefits	-	-	-	-	-	-
Other liabilities and accrued interest	-	-	(5,492)	-	-	133,907
<b>Total Liabilities Subject to Compromise</b>	<b>(165,766)</b>	<b>81,991,306</b>	<b>(1,048,689)</b>	<b>(150)</b>	<b>(10,825,744)</b>	<b>684,354</b>
<b>Total Liabilities</b>	<b>(163,874)</b>	<b>81,991,306</b>	<b>(670,430)</b>	<b>(150)</b>	<b>(10,995,253)</b>	<b>46,004</b>
<b>Equity (Deficit)</b>						
Preferred stock	-	112	-	-	-	-
Common stock	1,000	1,000	1,000	-	1,000	1,000
Paid in capital	-	(29,267,410)	-	25,358,993	61,845,489	13,074,177
(Accumulated deficit)/Retained earnings	(12,812,644)	229,702,229	(345,474)	115,166,011	(104,549,693)	(2,088,684)
Treasury stock, at cost	-	-	-	-	-	-
Accumulated other comprehensive (loss) income	-	-	3,516,014	-	44,232,784	-
<b>Total W.R. Grace &amp; Co. - Chapter 11 Filing Entities Equity (Deficit)</b>	<b>(12,811,644)</b>	<b>200,435,932</b>	<b>3,171,540</b>	<b>140,525,004</b>	<b>1,529,580</b>	<b>10,986,493</b>
Noncontrolling interest	-	-	-	-	-	-
<b>Total Equity (Deficit)</b>	<b>(12,811,644)</b>	<b>200,435,932</b>	<b>3,171,540</b>	<b>140,525,004</b>	<b>1,529,580</b>	<b>10,986,493</b>
<b>Total Liabilities and Equity (Deficit)</b>	<b>\$ (12,975,518)</b>	<b>\$ 282,427,238</b>	<b>\$ 2,501,110</b>	<b>\$ 140,524,854</b>	<b>\$ (9,465,673)</b>	<b>\$ 11,032,497</b>

## Note #3

Certain contingent liabilities of divested businesses are included on the balance sheet of W. R. Grace & Co. - Conn as it is not practical to determine which Debtor bears the ultimate obligation.

## W. R. Grace &amp; Co. - Chapter 11 Filing Entities

## Combining Balance Sheet

MOR - 3

June 30, 2010

	Alewif Land Corporation	Alewif Boston Ltd.	Five Alewife Boston Ltd.	GN Holdings, Inc.	MRA Holdings Corp.	MRA Intermedco, Inc.
<b>ASSETS</b>						
<b>Current Assets</b>						
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted cash and cash equivalents related to letter of credit facility	-	-	-	-	-	-
Cash value of life insurance policies, net of policy loans	-	-	-	-	-	-
Accounts and other receivables, net	-	-	-	-	-	-
Accounts receivable - related party	-	-	-	-	-	-
Receivables from/(payables to) filing and non-filing entities, net	(5,225,287)	(2,143,580)	-	(57,817,172)	(110)	(330)
Inventories	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Other current assets	0	-	-	-	-	-
<b>Total Current Assets</b>	(5,225,287)	(2,143,580)	-	(57,817,172)	(110)	(330)
Properties and equipment, net	-	-	-	-	-	-
Goodwill	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Asbestos-related insurance receivable	-	-	-	-	-	-
Loans receivable from/(payable to) filing and non-filing entities, net	-	-	-	-	-	-
Investment in filing and non-filing entities	-	-	-	34,053,467	54,500,000	54,500,000
Overfunded defined benefit pension plans	-	-	-	-	-	-
Investment of unconsolidated affiliates	-	-	-	-	-	-
Other assets	-	-	-	-	-	-
<b>Total Assets</b>	<b>\$ (5,225,287)</b>	<b>\$ (2,143,580)</b>	<b>\$ -</b>	<b>\$ (23,763,706)</b>	<b>\$ 54,499,890</b>	<b>\$ 54,499,670</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIT)</b>						
<b>Liabilities Not Subject to Compromise</b>						
<b>Current Liabilities</b>						
Debt payable within one year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Debt payable - related party	-	-	-	-	-	-
Accounts payable	-	-	-	-	-	-
Accounts payable - related party	-	-	-	-	-	-
Income taxes payable	-	-	-	-	-	-
Asbestos-related liability expected to be disbursed within one year	-	-	-	-	-	-
Other current liabilities	-	-	-	-	-	-
<b>Total Current Liabilities</b>	-	-	-	-	-	-
Debt payable after one year	-	-	-	-	-	-
Debt payable - related party	-	-	-	-	-	-
Underfunded defined benefit pension plans	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-
<b>Total Liabilities Not Subject to Compromise</b>	-	-	-	-	-	-
<b>Liabilities Subject to Compromise</b>						
Debt, pre-petition plus accrued interest	-	-	-	-	-	-
Drawn letters of credit plus accrued interest	-	-	-	-	-	-
Income tax contingences	(422,574)	(210)	-	-	(110)	(330)
Asbestos-related contingences	-	-	-	-	-	-
Environmental contingences	-	-	-	-	-	-
Postretirement benefits	-	-	-	-	-	-
Other liabilities and accrued interest	-	-	-	-	-	-
<b>Total Liabilities Subject to Compromise</b>	(422,574)	(210)	-	-	(110)	(330)
<b>Total Liabilities</b>	(422,574)	(210)	-	-	(110)	(330)
<b>Equity (Deficit)</b>						
Preferred stock	-	-	-	-	-	-
Common stock	200	-	-	931,540	1	130
Paid in capital	274,606	-	-	9,408,460	54,499,999	54,499,870
(Accumulated deficit)/Retained earnings	(5,077,518)	(2,143,370)	-	(34,103,706)	-	-
Treasury stock, at cost	-	-	-	-	-	-
Accumulated other comprehensive (loss) income	-	-	-	-	-	-
<b>Total W.R. Grace &amp; Co. - Chapter 11 Filing Entities Equity (Deficit)</b>	(4,802,713)	(2,143,370)	-	(23,763,706)	54,500,000	54,500,000
Noncontrolling interest	-	-	-	-	-	-
<b>Total Equity (Deficit)</b>	(4,802,713)	(2,143,370)	-	(23,763,706)	54,500,000	54,500,000
<b>Total Liabilities and Equity (Deficit)</b>	<b>\$ (5,225,287)</b>	<b>\$ (2,143,580)</b>	<b>\$ -</b>	<b>\$ (23,763,706)</b>	<b>\$ 54,499,890</b>	<b>\$ 54,499,670</b>

## Note #3

Certain contingent liabilities of divested businesses are included on the balance sheet of W. R. Grace & Co. - Conn as it is not practical to determine which Debtor bears the ultimate obligation.

## W. R. Grace &amp; Co. - Chapter 11 Filing Entities

## Combining Balance Sheet

MOR - 3

June 30, 2010

	MRA Staffing Systems, Inc.	Kootenai Development Company	CB Biomedical, Inc.	Amicon, Inc.	Grace Environmental, Inc.	Grace Chemical Company of Cuba
<b>ASSETS</b>						
<b>Current Assets</b>						
Cash and cash equivalents	\$ -	\$ 39,082	\$ -	\$ -	\$ -	\$ -
Restricted cash and cash equivalents related to letter of credit facility	-	-	-	-	-	-
Cash value of life insurance policies, net of policy loans	-	-	-	-	-	-
Accounts and other receivables, net	-	-	-	-	-	-
Accounts receivable - related party	-	-	-	-	-	-
Receivables from/(payables to) filing and non-filing entities, net	(27,731)	(250,483)	(26,614,022)	57,347,191	(7,283,826)	-
Inventories	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Other current assets	-	7,731	-	-	-	-
<b>Total Current Assets</b>	(27,731)	(203,671)	(26,614,022)	57,347,191	(7,283,826)	-
Properties and equipment, net	-	9,420	-	-	-	-
Goodwill	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Asbestos-related insurance receivable	-	-	-	-	-	-
Loans receivable from/(payable to) filing and non-filing entities, net	-	-	-	-	-	-
Investment in filing and non-filing entities	56,011,577	-	-	-	-	-
Overfunded defined benefit pension plans	-	-	-	-	-	-
Investment of unconsolidated affiliates	-	-	-	-	-	-
Other assets	-	-	-	-	-	-
<b>Total Assets</b>	<b>\$ 55,983,846</b>	<b>\$ (194,250)</b>	<b>\$ (26,614,022)</b>	<b>\$ 57,347,191</b>	<b>\$ (7,283,826)</b>	<b>\$ -</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIT)</b>						
<b>Liabilities Not Subject to Compromise</b>						
<b>Current Liabilities</b>						
Debt payable within one year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Debt payable - related party	-	-	-	-	-	-
Accounts payable	-	-	-	-	-	-
Accounts payable - related party	-	-	-	-	-	-
Income taxes payable	-	-	-	-	-	-
Asbestos-related liability expected to be disbursed within one year	-	-	-	-	-	-
Other current liabilities	-	-	-	-	-	-
<b>Total Current Liabilities</b>	-	-	-	-	-	-
Debt payable after one year	-	-	-	-	-	-
Debt payable - related party	-	-	-	-	-	-
Underfunded defined benefit pension plans	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-
<b>Total Liabilities Not Subject to Compromise</b>	-	-	-	-	-	-
<b>Liabilities Subject to Compromise</b>						
Debt, pre-petition plus accrued interest	-	-	-	-	-	-
Drawn letters of credit plus accrued interest	-	-	-	-	-	-
Income tax contingences	(7,489)	(524,304)	(195)	10,346,794	(230)	-
Asbestos-related contingences	-	-	-	-	-	-
Environmental contingences	-	-	-	-	-	-
Postretirement benefits	-	-	-	-	-	-
Other liabilities and accrued interest	-	-	-	-	-	-
<b>Total Liabilities Subject to Compromise</b>	(7,489)	(524,304)	(195)	10,346,794	(230)	-
<b>Total Liabilities</b>	(7,489)	(524,304)	(195)	10,346,794	(230)	-
<b>Equity (Deficit)</b>						
Preferred stock	-	-	-	-	-	-
Common stock	130	-	-	-	5,150	-
Paid in capital	54,499,870	1,303,954	864,233	3,671,658	5,144,850	-
(Accumulated deficit)/Retained earnings	1,491,335	(973,900)	(27,478,060)	43,427,950	(12,433,596)	-
Treasury stock, at cost	-	-	-	-	-	-
Accumulated other comprehensive (loss) income	-	-	-	(99,212)	-	-
<b>Total W.R. Grace &amp; Co. - Chapter 11 Filing Entities Equity (Deficit)</b>	<b>55,991,335</b>	<b>330,054</b>	<b>(26,613,827)</b>	<b>47,000,396</b>	<b>(7,283,596)</b>	<b>-</b>
Noncontrolling interest	-	-	-	-	-	-
<b>Total Equity (Deficit)</b>	<b>55,991,335</b>	<b>330,054</b>	<b>(26,613,827)</b>	<b>47,000,396</b>	<b>(7,283,596)</b>	<b>-</b>
<b>Total Liabilities and Equity (Deficit)</b>	<b>\$ 55,983,846</b>	<b>\$ (194,250)</b>	<b>\$ (26,614,022)</b>	<b>\$ 57,347,191</b>	<b>\$ (7,283,826)</b>	<b>\$ -</b>

## Note #3

Certain contingent liabilities of divested businesses are included on the balance sheet of W. R. Grace & Co. - Conn as it is not practical to determine which Debtor bears the ultimate obligation.

## W. R. Grace &amp; Co. - Chapter 11 Filing Entities

## Combining Balance Sheet

MOR - 3

June 30, 2010

	Southern Oil, Resin & Fiberglass, Inc.	Guanica-Caribe Land Development Corporation	Dewey & Almy, LLC	A-1 Bit & Tool Co., Inc.	Grace Tarpon Investors, Inc.	G C Limited Partners I, Inc.
<b>ASSETS</b>						
<b>Current Assets</b>						
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted cash and cash equivalents related to letter of credit facility	-	-	-	-	-	-
Cash value of life insurance policies, net of policy loans	-	-	-	-	-	-
Accounts and other receivables, net	-	-	-	-	-	-
Accounts receivable - related party	-	-	-	-	-	-
Receivables from/(payables to) filing and non-filing entities, net	-	5,824,284	(102,989)	(1,119,103)	10,284,124	330
Inventories	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Other current assets	-	-	-	-	-	-
<b>Total Current Assets</b>	-	5,824,284	(102,989)	(1,119,103)	10,284,124	330
Properties and equipment, net	-	-	-	-	-	-
Goodwill	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Asbestos-related insurance receivable	-	-	-	-	-	-
Loans receivable from/(payable to) filing and non-filing entities, net	-	-	-	-	-	-
Investment in filing and non-filing entities	-	-	94,022	-	-	-
Overfunded defined benefit pension plans	-	-	-	-	-	-
Investment of unconsolidated affiliates	-	-	-	-	-	-
Other assets	-	-	-	-	-	-
<b>Total Assets</b>	\$ -	\$ 5,824,284	\$ (8,966)	\$ (1,119,103)	\$ 10,284,124	\$ 330
<b>LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIT)</b>						
<b>Liabilities Not Subject to Compromise</b>						
<b>Current Liabilities</b>						
Debt payable within one year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Debt payable - related party	-	-	-	-	-	-
Accounts payable	-	-	-	-	-	-
Accounts payable - related party	-	-	-	-	-	-
Income taxes payable	-	-	-	-	-	-
Asbestos-related liability expected to be disbursed within one year	-	-	-	-	-	-
Other current liabilities	-	-	-	-	3	-
<b>Total Current Liabilities</b>	-	-	-	-	3	-
Debt payable after one year	-	-	-	-	-	-
Debt payable - related party	-	-	-	-	-	-
Underfunded defined benefit pension plans	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-
<b>Total Liabilities Not Subject to Compromise</b>	-	-	-	-	3	-
<b>Liabilities Subject to Compromise</b>						
Debt, pre-petition plus accrued interest	-	-	-	-	-	-
Drawn letters of credit plus accrued interest	-	-	-	-	-	-
Income tax contingences	-	(110)	-	(110)	(560)	(560)
Asbestos-related contingences	-	-	-	-	-	-
Environmental contingences	-	-	-	-	-	-
Postretirement benefits	-	-	-	-	-	-
Other liabilities and accrued interest	-	-	-	-	-	-
<b>Total Liabilities Subject to Compromise</b>	-	(110)	-	(110)	(560)	(560)
<b>Total Liabilities</b>	-	(110)	-	(110)	(557)	(560)
<b>Equity (Deficit)</b>						
Preferred stock	-	-	-	-	-	-
Common stock	-	1,000	2,000	29,000	1,000	1,000
Paid in capital	-	5,823,446	-	-	3,136,087	-
(Accumulated deficit)/Retained earnings	-	(52)	(10,966)	(1,147,993)	7,147,595	(110)
Treasury stock, at cost	-	-	-	-	-	-
Accumulated other comprehensive (loss) income	-	-	-	-	-	-
<b>Total W.R. Grace &amp; Co. - Chapter 11 Filing Entities Equity (Deficit)</b>	-	5,824,394	(8,966)	(1,118,993)	10,284,682	890
Noncontrolling interest	-	-	-	-	-	-
<b>Total Equity (Deficit)</b>	-	5,824,394	(8,966)	(1,118,993)	10,284,682	890
<b>Total Liabilities and Equity (Deficit)</b>	\$ -	\$ 5,824,284	\$ (8,966)	\$ (1,119,103)	\$ 10,284,124	\$ 330

## Note #3

Certain contingent liabilities of divested businesses are included on the balance sheet of W. R. Grace & Co. - Conn as it is not practical to determine which Debtor bears the ultimate obligation.



## W. R. Grace &amp; Co. - Chapter 11 Filing Entities

## Combining Balance Sheet

MOR - 3

June 30, 2010

	Monolith Enterprises, Incorporated	Grace Culinary Systems, Inc.	Grace Hotel Services Corporation	Monroe Street, Inc.	Grace H-G Inc.	Hanover Square Corporation
<b>ASSETS</b>						
<b>Current Assets</b>						
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted cash and cash equivalents related to letter of credit facility	-	-	-	-	-	-
Cash value of life insurance policies, net of policy loans	-	-	-	-	-	-
Accounts and other receivables, net	-	-	-	-	-	-
Accounts receivable - related party	-	-	-	-	-	-
Receivables from/(payables to) filing and non-filing entities, net	(2,417,714)	(26,312,455)	(5,132,933)	(3,350,634)	(2,509,849)	840
Inventories	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Other current assets	-	-	-	-	-	-
<b>Total Current Assets</b>	(2,417,714)	(26,312,455)	(5,132,933)	(3,350,634)	(2,509,849)	840
Properties and equipment, net	-	-	-	-	-	-
Goodwill	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Asbestos-related insurance receivable	-	-	-	-	-	-
Loans receivable from/(payable to) filing and non-filing entities, net	-	-	-	-	-	-
Investment in filing and non-filing entities	-	-	-	-	-	-
Overfunded defined benefit pension plans	-	-	-	-	-	-
Investment of unconsolidated affiliates	-	-	-	-	-	-
Other assets	-	-	-	-	-	-
<b>Total Assets</b>	<b>\$ (2,417,714)</b>	<b>\$ (26,312,455)</b>	<b>\$ (5,132,933)</b>	<b>\$ (3,350,634)</b>	<b>\$ (2,509,849)</b>	<b>\$ 840</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIT)</b>						
<b>Liabilities Not Subject to Compromise</b>						
<b>Current Liabilities</b>						
Debt payable within one year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Debt payable - related party	-	-	-	-	-	-
Accounts payable	-	-	-	-	-	-
Accounts payable - related party	-	-	-	-	-	-
Income taxes payable	-	-	-	-	-	-
Asbestos-related liability expected to be disbursed within one year	-	-	-	-	-	-
Other current liabilities	-	-	-	-	-	-
<b>Total Current Liabilities</b>	-	-	-	-	-	-
Debt payable after one year	-	-	-	-	-	-
Debt payable - related party	-	-	-	-	-	-
Underfunded defined benefit pension plans	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-
<b>Total Liabilities Not Subject to Compromise</b>	-	-	-	-	-	-
<b>Liabilities Subject to Compromise</b>						
Debt, pre-petition plus accrued interest	-	-	-	-	-	-
Drawn letters of credit plus accrued interest	-	-	-	-	-	-
Income tax contingences	(450)	-	(818)	(110)	(210)	(110)
Asbestos-related contingences	-	-	-	-	-	-
Environmental contingences	-	-	-	-	-	-
Postretirement benefits	-	-	-	-	-	-
Other liabilities and accrued interest	-	-	-	-	-	-
<b>Total Liabilities Subject to Compromise</b>	(450)	-	(818)	(110)	(210)	(110)
<b>Total Liabilities</b>	(450)	-	(818)	(110)	(210)	(110)
<b>Equity (Deficit)</b>						
Preferred stock	-	-	-	-	-	-
Common stock	26,000	-	-	1,000	1,000	1,000
Paid in capital	9,988,414	-	-	-	-	-
(Accumulated deficit)/Retained earnings	(12,431,678)	(26,312,455)	(5,132,115)	(3,351,524)	(2,510,639)	(50)
Treasury stock, at cost	-	-	-	-	-	-
Accumulated other comprehensive (loss) income	-	-	-	-	-	-
<b>Total W.R. Grace &amp; Co. - Chapter 11 Filing Entities Equity (Deficit)</b>	(2,417,264)	(26,312,455)	(5,132,115)	(3,350,524)	(2,509,639)	950
Noncontrolling interest	-	-	-	-	-	-
<b>Total Equity (Deficit)</b>	(2,417,264)	(26,312,455)	(5,132,115)	(3,350,524)	(2,509,639)	950
<b>Total Liabilities and Equity (Deficit)</b>	<b>\$ (2,417,714)</b>	<b>\$ (26,312,455)</b>	<b>\$ (5,132,933)</b>	<b>\$ (3,350,634)</b>	<b>\$ (2,509,849)</b>	<b>\$ 840</b>

## Note #3

Certain contingent liabilities of divested businesses are included on the balance sheet of W. R. Grace & Co. - Conn as it is not practical to determine which Debtor bears the ultimate obligation.

## W. R. Grace &amp; Co. - Chapter 11 Filing Entities

## Combining Balance Sheet

MOR - 3

June 30, 2010

	Ecarg, Inc.	W. R. Grace Land Corporation	G.C. Management, Inc.	Water Street Corporation	Del Taco Restaurants, Inc.	W. R. Grace Capital Corporation
<b>ASSETS</b>						
<b>Current Assets</b>						
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted cash and cash equivalents related to letter of credit facility	-	-	-	-	-	-
Cash value of life insurance policies, net of policy loans	-	-	-	-	-	-
Accounts and other receivables, net	-	-	-	-	-	-
Accounts receivable - related party	-	-	-	-	-	-
Receivables from/(payables to) filing and non-filing entities, net	(1,230,613)	36,708,315	-	(73,061)	(12,559,518)	(264,688)
Inventories	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Other current assets	-	-	-	-	-	-
<b>Total Current Assets</b>	(1,230,613)	36,708,315	-	(73,061)	(12,559,518)	(264,688)
Properties and equipment, net	-	-	-	-	-	438,445
Goodwill	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Asbestos-related insurance receivable	-	-	-	-	-	-
Loans receivable from/(payable to) filing and non-filing entities, net	-	-	-	-	-	-
Investment in filing and non-filing entities	-	6,284,806	-	-	-	-
Overfunded defined benefit pension plans	-	-	-	-	-	-
Investment of unconsolidated affiliates	-	-	-	-	-	-
Other assets	-	-	-	-	-	-
<b>Total Assets</b>	<b>\$ (1,230,613)</b>	<b>\$ 42,993,121</b>	<b>\$ -</b>	<b>\$ (73,061)</b>	<b>\$ (12,559,518)</b>	<b>\$ 173,757</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIT)</b>						
<b>Liabilities Not Subject to Compromise</b>						
<b>Current Liabilities</b>						
Debt payable within one year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Debt payable - related party	-	-	-	-	-	-
Accounts payable	-	-	-	-	-	-
Accounts payable - related party	-	-	-	-	-	-
Income taxes payable	-	-	-	-	-	-
Asbestos-related liability expected to be disbursed within one year	-	-	-	-	-	-
Other current liabilities	-	-	-	-	-	199
<b>Total Current Liabilities</b>	-	-	-	-	-	199
Debt payable after one year	-	-	-	-	-	-
Debt payable - related party	-	-	-	-	-	-
Underfunded defined benefit pension plans	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-
<b>Total Liabilities Not Subject to Compromise</b>	-	-	-	-	-	199
<b>Liabilities Subject to Compromise</b>						
Debt, pre-petition plus accrued interest	-	-	-	-	-	-
Drawn letters of credit plus accrued interest	-	-	-	-	-	-
Income tax contingences	(30)	(821)	-	(110)	(265)	(759)
Asbestos-related contingences	-	-	-	-	-	-
Environmental contingences	-	-	-	-	-	-
Postretirement benefits	-	-	-	-	-	-
Other liabilities and accrued interest	-	-	-	-	-	-
<b>Total Liabilities Subject to Compromise</b>	(30)	(821)	-	(110)	(265)	(759)
<b>Total Liabilities</b>	(30)	(821)	-	(110)	(265)	(560)
<b>Equity (Deficit)</b>						
Preferred stock	-	-	-	-	-	-
Common stock	50	5,000	-	1,000	85,539	1,000
Paid in capital	50	19,577,160	-	-	6,541,055	4,000
(Accumulated deficit)/Retained earnings	(1,230,683)	23,411,782	-	(73,951)	(19,185,847)	169,317
Treasury stock, at cost	-	-	-	-	-	-
Accumulated other comprehensive (loss) income	-	-	-	-	-	-
<b>Total W.R. Grace &amp; Co. - Chapter 11 Filing Entities Equity (Deficit)</b>	(1,230,583)	42,993,942	-	(72,951)	(12,559,253)	174,317
Noncontrolling interest	-	-	-	-	-	-
<b>Total Equity (Deficit)</b>	(1,230,583)	42,993,942	-	(72,951)	(12,559,253)	174,317
<b>Total Liabilities and Equity (Deficit)</b>	<b>\$ (1,230,613)</b>	<b>\$ 42,993,121</b>	<b>\$ -</b>	<b>\$ (73,061)</b>	<b>\$ (12,559,518)</b>	<b>\$ 173,757</b>

## Note #3

Certain contingent liabilities of divested businesses are included on the balance sheet of W. R. Grace & Co. - Conn as it is not practical to determine which Debtor bears the ultimate obligation.

**W. R. Grace & Co. - Chapter 11 Filing Entities**  
**Combining Balance Sheet**  
**MOR - 3**  
**June 30, 2010**

	Gloucester New Communities Company, Inc.	Creative Food N' Fun Company	Grace PAR Corporation	Grace A-B Inc.	Homco International, Inc.	GPC Thomasville Corp.
<b>ASSETS</b>						
<b>Current Assets</b>						
Cash and cash equivalents	\$ 500	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted cash and cash equivalents related to letter of credit facility	-	-	-	-	-	-
Cash value of life insurance policies, net of policy loans	-	-	-	-	-	-
Accounts and other receivables, net	91,572	-	-	-	-	-
Accounts receivable - related party	-	-	-	-	-	-
Receivables from/(payables to) filing and non-filing entities, net	(19,555,815)	23,478,717	6,345,361	810,265	(48,413,250)	(185)
Inventories	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Other current assets	-	-	-	-	-	-
<b>Total Current Assets</b>	(19,463,742)	23,478,717	6,345,361	810,265	(48,413,250)	(185)
Properties and equipment, net	-	-	-	-	-	-
Goodwill	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Asbestos-related insurance receivable	-	-	-	-	-	-
Loans receivable from/(payable to) filing and non-filing entities, net	-	-	-	-	-	-
Investment in filing and non-filing entities	-	-	-	-	-	-
Overfunded defined benefit pension plans	-	-	-	-	-	-
Investment of unconsolidated affiliates	-	-	-	-	-	-
Other assets	4,066	-	-	-	-	-
<b>Total Assets</b>	<b>\$ (19,459,676)</b>	<b>\$ 23,478,717</b>	<b>\$ 6,345,361</b>	<b>\$ 810,265</b>	<b>\$ (48,413,250)</b>	<b>\$ (185)</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIT)</b>						
<b>Liabilities Not Subject to Compromise</b>						
<b>Current Liabilities</b>						
Debt payable within one year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Debt payable - related party	-	-	-	-	-	-
Accounts payable	4,066	-	-	-	-	-
Accounts payable - related party	-	-	-	-	-	-
Income taxes payable	-	-	-	-	-	-
Asbestos-related liability expected to be disbursed within one year	-	-	-	-	-	-
Other current liabilities	-	-	-	-	-	-
<b>Total Current Liabilities</b>	4,066	-	-	-	-	-
Debt payable after one year	-	-	-	-	-	-
Debt payable - related party	-	-	-	-	-	-
Underfunded defined benefit pension plans	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-
<b>Total Liabilities Not Subject to Compromise</b>	4,066	-	-	-	-	-
<b>Liabilities Subject to Compromise</b>						
Debt, pre-petition plus accrued interest	-	-	-	-	-	-
Drawn letters of credit plus accrued interest	-	-	-	-	-	-
Income tax contingences	-	(1,432)	(300)	(335)	(405)	(185)
Asbestos-related contingences	-	-	-	-	-	-
Environmental contingences	-	-	-	-	-	-
Postretirement benefits	-	-	-	-	-	-
Other liabilities and accrued interest	-	-	-	-	-	-
<b>Total Liabilities Subject to Compromise</b>	-	(1,432)	(300)	(335)	(405)	(185)
<b>Total Liabilities</b>	4,066	(1,432)	(300)	(335)	(405)	(185)
<b>Equity (Deficit)</b>						
Preferred stock	-	-	-	-	-	-
Common stock	5,000	1,090,000	1,000	1,000	303,000	-
Paid in capital	6,000,000	33,631,999	18,090,032	-	37,765,000	-
(Accumulated deficit)/Retained earnings	(25,468,742)	(11,241,851)	(11,745,371)	809,600	(86,480,845)	-
Treasury stock, at cost	-	-	-	-	-	-
Accumulated other comprehensive (loss) income	-	-	-	-	-	-
<b>Total W.R. Grace &amp; Co. - Chapter 11 Filing Entities Equity (Deficit)</b>	(19,463,742)	23,480,148	6,345,661	810,600	(48,412,845)	-
Noncontrolling interest	-	-	-	-	-	-
<b>Total Equity (Deficit)</b>	(19,463,742)	23,480,148	6,345,661	810,600	(48,412,845)	-
<b>Total Liabilities and Equity (Deficit)</b>	<b>\$ (19,459,676)</b>	<b>\$ 23,478,717</b>	<b>\$ 6,345,361</b>	<b>\$ 810,265</b>	<b>\$ (48,413,250)</b>	<b>\$ (185)</b>

**Note #3**

Certain contingent liabilities of divested businesses are included on the balance sheet of W. R. Grace & Co. - Conn as it is not practical to determine which Debtor bears the ultimate obligation.

## W. R. Grace &amp; Co. - Chapter 11 Filing Entities

## Combining Balance Sheet

MOR - 3

June 30, 2010

	Grace Ventures Corp.	Grace Energy Corporation	GEC Management Corporation	Grace Offshore Company	Coalgrace, Inc.
<b>ASSETS</b>					
<b>Current Assets</b>					
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted cash and cash equivalents related to letter of credit facility	-	-	-	-	-
Cash value of life insurance policies, net of policy loans	-	-	-	-	-
Accounts and other receivables, net	-	-	-	-	-
Accounts receivable - related party	-	-	-	-	-
Receivables from/(payables to) filing and non-filing entities, net	(86,721)	352,712,699	4,389,612	(15,750,664)	5,296,839
Inventories	-	-	-	-	-
Deferred income taxes	-	-	-	-	-
Other current assets	-	-	-	-	-
<b>Total Current Assets</b>	(86,721)	352,712,699	4,389,612	(15,750,664)	5,296,839
Properties and equipment, net	-	-	-	-	-
Goodwill	-	-	-	-	-
Deferred income taxes	-	-	-	-	-
Asbestos-related insurance receivable	-	-	-	-	-
Loans receivable from/(payable to) filing and non-filing entities, net	-	(35,903,123)	(14,135,725)	-	-
Investment in filing and non-filing entities	-	187,272,210	-	-	-
Overfunded defined benefit pension plans	-	-	-	-	-
Investment of unconsolidated affiliates	-	-	-	-	-
Other assets	-	-	-	-	-
<b>Total Assets</b>	<b>\$ (86,721)</b>	<b>\$ 504,081,786</b>	<b>\$ (9,746,113)</b>	<b>\$ (15,750,664)</b>	<b>\$ 5,296,839</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIT)</b>					
<b>Liabilities Not Subject to Compromise</b>					
<b>Current Liabilities</b>					
Debt payable within one year	\$ -	\$ -	\$ -	\$ -	\$ -
Debt payable - related party	-	-	-	-	-
Accounts payable	-	-	-	-	-
Accounts payable - related party	-	-	-	-	-
Income taxes payable	-	-	-	-	-
Asbestos-related liability expected to be disbursed within one year	-	-	-	-	-
Other current liabilities	-	-	-	-	-
<b>Total Current Liabilities</b>	-	-	-	-	-
Debt payable after one year	-	-	-	-	-
Debt payable - related party	-	-	-	-	-
Underfunded defined benefit pension plans	-	-	-	-	-
Other liabilities	-	-	-	-	-
<b>Total Liabilities Not Subject to Compromise</b>	-	-	-	-	-
<b>Liabilities Subject to Compromise</b>					
Debt, pre-petition plus accrued interest	-	-	-	-	-
Drawn letters of credit plus accrued interest	-	-	-	-	-
Income tax contingences	(110)	(119)	(110)	-	(360)
Asbestos-related contingences	-	-	-	-	-
Environmental contingences	-	-	-	-	-
Postretirement benefits	-	-	-	-	-
Other liabilities and accrued interest	-	-	-	-	-
<b>Total Liabilities Subject to Compromise</b>	(110)	(119)	(110)	-	(360)
<b>Total Liabilities</b>	(110)	(119)	(110)	-	(360)
<b>Equity (Deficit)</b>					
Preferred stock	-	-	-	-	-
Common stock	-	1,000	1,000	(114,960)	100
Paid in capital	1,900,000	451,425,156	(2,089,027)	34,215,000	-
(Accumulated deficit)/Retained earnings	(1,986,611)	52,655,749	(7,657,976)	(49,850,704)	5,297,099
Treasury stock, at cost	-	-	-	-	-
Accumulated other comprehensive (loss) income	-	-	-	-	-
<b>Total W.R. Grace &amp; Co. - Chapter 11 Filing Entities Equity (Deficit)</b>	(86,611)	504,081,905	(9,746,003)	(15,750,664)	5,297,199
Noncontrolling interest	-	-	-	-	-
<b>Total Equity (Deficit)</b>	(86,611)	504,081,905	(9,746,003)	(15,750,664)	5,297,199
<b>Total Liabilities and Equity (Deficit)</b>	<b>\$ (86,721)</b>	<b>\$ 504,081,786</b>	<b>\$ (9,746,113)</b>	<b>\$ (15,750,664)</b>	<b>\$ 5,296,839</b>

## Note #3

Certain contingent liabilities of divested businesses are included on the balance sheet of W. R. Grace & Co. - Conn as it is not practical to determine which Debtor bears the ultimate obligation.

## W. R. Grace &amp; Co. - Chapter 11 Filing Entities

## Combining Balance Sheet

MOR - 3

June 30, 2010

	Grace A-B II, Inc.	Grace H-G II, Inc.	Coalgrace II, Inc.	Gracoal II, Inc.	Gracoal, Inc.
<b>ASSETS</b>					
<b>Current Assets</b>					
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted cash and cash equivalents related to letter of credit facility	-	-	-	-	-
Cash value of life insurance policies, net of policy loans	-	-	-	-	-
Accounts and other receivables, net	-	-	-	-	-
Accounts receivable - related party	-	-	-	-	-
Receivables from/(payables to) filing and non-filing entities, net	875,359	(5,314)	108,080	130,215,533	145,239,206
Inventories	-	-	-	-	-
Deferred income taxes	-	-	-	-	-
Other current assets	-	-	-	-	-
<b>Total Current Assets</b>	875,359	(5,314)	108,080	130,215,533	145,239,206
Properties and equipment, net	-	-	-	-	-
Goodwill	-	-	-	-	-
Deferred income taxes	-	-	-	-	-
Asbestos-related insurance receivable	-	-	-	-	-
Loans receivable from/(payable to) filing and non-filing entities, net	-	-	-	-	-
Investment in filing and non-filing entities	-	-	-	-	-
Overfunded defined benefit pension plans	-	-	-	-	-
Investment of unconsolidated affiliates	-	-	-	-	-
Other assets	-	-	-	-	-
<b>Total Assets</b>	<b>\$ 875,359</b>	<b>\$ (5,314)</b>	<b>\$ 108,080</b>	<b>\$ 130,215,533</b>	<b>\$ 145,239,206</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIT)</b>					
<b>Liabilities Not Subject to Compromise</b>					
<b>Current Liabilities</b>					
Debt payable within one year	\$ -	\$ -	\$ -	\$ -	\$ -
Debt payable - related party	-	-	-	-	-
Accounts payable	-	-	-	-	-
Accounts payable - related party	-	-	-	-	-
Income taxes payable	-	-	-	-	-
Asbestos-related liability expected to be disbursed within one year	-	-	-	-	-
Other current liabilities	-	-	-	-	-
<b>Total Current Liabilities</b>	-	-	-	-	-
Debt payable after one year	-	-	-	-	-
Debt payable - related party	-	-	-	-	-
Underfunded defined benefit pension plans	-	-	-	-	-
Other liabilities	-	-	-	-	-
<b>Total Liabilities Not Subject to Compromise</b>	-	-	-	-	-
<b>Liabilities Subject to Compromise</b>					
Debt, pre-petition plus accrued interest	-	-	-	-	-
Drawn letters of credit plus accrued interest	-	-	-	-	-
Income tax contingences	(310)	(260)	(360)	21,450,461	21,450,636
Asbestos-related contingences	-	-	-	-	-
Environmental contingences	-	-	-	-	-
Postretirement benefits	-	-	-	-	-
Other liabilities and accrued interest	-	-	-	-	-
<b>Total Liabilities Subject to Compromise</b>	(310)	(260)	(360)	21,450,461	21,450,636
<b>Total Liabilities</b>	(310)	(260)	(360)	21,450,461	21,450,636
<b>Equity (Deficit)</b>					
Preferred stock	-	-	-	-	-
Common stock	1,000	1,000	1,000	1,000	100
Paid in capital	-	-	-	30,293,750	13,880,108
(Accumulated deficit)/Retained earnings	874,669	(6,054)	107,440	78,470,322	109,908,362
Treasury stock, at cost	-	-	-	-	-
Accumulated other comprehensive (loss) income	-	-	-	-	-
<b>Total W.R. Grace &amp; Co. - Chapter 11 Filing Entities Equity (Deficit)</b>	875,669	(5,054)	108,440	108,765,072	123,788,570
Noncontrolling interest	-	-	-	-	-
<b>Total Equity (Deficit)</b>	875,669	(5,054)	108,440	108,765,072	123,788,570
<b>Total Liabilities and Equity (Deficit)</b>	<b>\$ 875,359</b>	<b>\$ (5,314)</b>	<b>\$ 108,080</b>	<b>\$ 130,215,533</b>	<b>\$ 145,239,206</b>

## Note #3

Certain contingent liabilities of divested businesses are included on the balance sheet of W. R. Grace & Co. - Conn as it is not practical to determine which Debtor bears the ultimate obligation.

## W. R. Grace &amp; Co. - Chapter 11 Filing Entities

## Combining Balance Sheet

MOR - 3

June 30, 2010

	Grace Drilling Company	Grace Petroleum Libya Incorporated	Axial Basin Ranch Company	Hayden-Gulch West Coal Company	H-G Coal Company	Eliminations between Filing Entities
<b>ASSETS</b>						
<b>Current Assets</b>						
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted cash and cash equivalents related to letter of credit facility	-	-	-	-	-	-
Cash value of life insurance policies, net of policy loans	-	-	-	-	-	-
Accounts and other receivables, net	-	-	-	-	-	-
Accounts receivable - related party	-	-	-	-	-	-
Receivables from/(payables to) filing and non-filing entities, net	(81,115,113)	47,407,796	-	-	-	600,000
Inventories	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Other current assets	-	-	-	-	-	-
<b>Total Current Assets</b>	(81,115,113)	47,407,796	-	-	-	600,000
Properties and equipment, net	-	-	-	-	-	-
Goodwill	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Asbestos-related insurance receivable	-	-	-	-	-	-
Loans receivable from/(payable to) filing and non-filing entities, net	-	-	-	-	-	(1,323,702,717)
Investment in filing and non-filing entities	-	-	-	-	-	-
Overfunded defined benefit pension plans	-	-	-	-	-	-
Investment of unconsolidated affiliates	-	-	-	-	-	(1,201,282)
Other assets	-	-	-	-	-	-
<b>Total Assets</b>	<b>\$ (81,115,113)</b>	<b>\$ 47,407,796</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (1,324,303,999)</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIT)</b>						
<b>Liabilities Not Subject to Compromise</b>						
<b>Current Liabilities</b>						
Debt payable within one year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Debt payable - related party	-	-	-	-	-	-
Accounts payable	-	-	-	-	-	-
Accounts payable - related party	-	-	-	-	-	-
Income taxes payable	-	-	-	-	-	-
Asbestos-related liability expected to be disbursed within one year	-	-	-	-	-	-
Other current liabilities	-	-	-	-	-	-
<b>Total Current Liabilities</b>	-	-	-	-	-	-
Debt payable after one year	-	-	-	-	-	-
Debt payable - related party	-	-	-	-	-	-
Underfunded defined benefit pension plans	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-
<b>Total Liabilities Not Subject to Compromise</b>	-	-	-	-	-	-
<b>Liabilities Subject to Compromise</b>						
Debt, pre-petition plus accrued interest	-	-	-	-	-	-
Drawn letters of credit plus accrued interest	-	-	-	-	-	-
Income tax contingences	(480)	(110)	-	-	-	-
Asbestos-related contingences	-	-	-	-	-	-
Environmental contingences	-	-	-	-	-	-
Postretirement benefits	-	-	-	-	-	-
Other liabilities and accrued interest	-	-	-	-	-	-
<b>Total Liabilities Subject to Compromise</b>	(480)	(110)	-	-	-	-
<b>Total Liabilities</b>	(480)	(110)	-	-	-	-
<b>Equity (Deficit)</b>						
Preferred stock	-	-	-	-	-	-
Common stock	124,473	1,000	-	-	-	(86,493,960)
Paid in capital	51,173,713	7,308,934	-	-	-	(1,222,770,000)
(Accumulated deficit)/Retained earnings	(132,412,819)	40,097,972	-	-	-	1,759,961
Treasury stock, at cost	-	-	-	-	-	-
Accumulated other comprehensive (loss) income	-	-	-	-	-	(16,800,000)
<b>Total W.R. Grace &amp; Co. - Chapter 11 Filing Entities Equity (Deficit)</b>	(81,114,633)	47,407,906	-	-	-	(1,324,303,999)
Noncontrolling interest	-	-	-	-	-	-
<b>Total Equity (Deficit)</b>	(81,114,633)	47,407,906	-	-	-	(1,324,303,999)
<b>Total Liabilities and Equity (Deficit)</b>	<b>\$ (81,115,113)</b>	<b>\$ 47,407,796</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (1,324,303,999)</b>

## Note #3

Certain contingent liabilities of divested businesses are included on the balance sheet of W. R. Grace & Co. - Conn as it is not practical to determine which Debtor bears the ultimate obligation.

## W. R. Grace &amp; Co. - Chapter 11 Filing Entities

## Combining Balance Sheet

MOR - 3

June 30, 2010

	Conversion to Equity Method	Reporting Reclasses	COMBINED FILING ENTITIES
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and cash equivalents	\$ -	\$ -	\$ 611,600,757
Restricted cash and cash equivalents related to letter of credit facility	-	-	\$ 76,600,000
Cash value of life insurance policies, net of policy loans	-	-	\$ -
Accounts and other receivables, net	-	-	\$ 114,769,773
Accounts receivable - related party	-	-	\$ 6,545,608
Receivables from/(payables to) filing and non-filing entities, net	-	200,000	\$ 62,376,635
Inventories	-	-	\$ 102,383,604
Deferred income taxes	-	96,239	\$ 27,257,065
Other current assets	-	-	\$ 22,868,985
<b>Total Current Assets</b>	-	296,239	\$ 1,024,402,427
Properties and equipment, net	-	-	\$ 389,834,233
Goodwill	-	-	\$ 25,320,411
Deferred income taxes	-	(190,248,506)	\$ 832,970,102
Asbestos-related insurance receivable	-	-	\$ 500,000,000
Loans receivable from/(payable to) filing and non-filing entities, net	-	-	\$ 332,305,417
Investment in filing and non-filing entities	(182,412,181)	1,800,000	\$ 332,051,529
Overfunded defined benefit pension plans	-	-	\$ 208,568
Investment of unconsolidated affiliates	-	-	\$ 56,806,618
Other assets	-	-	\$ 72,754,374
<b>Total Assets</b>	<b>\$ (182,412,181)</b>	<b>\$ (188,152,267)</b>	<b>\$ 3,566,653,679</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIT)</b>			
<b>Liabilities Not Subject to Compromise</b>			
<b>Current Liabilities</b>			
Debt payable within one year	\$ -	\$ -	\$ 201,985
Debt payable - related party	-	-	\$ 1,880,364
Accounts payable	-	-	\$ 84,907,209
Accounts payable - related party	-	-	\$ 112,021
Income taxes payable	-	-	\$ 268
Asbestos-related liability expected to be disbursed within one year	-	-	\$ -
Other current liabilities	-	4,700,170	\$ 96,436,484
<b>Total Current Liabilities</b>	-	4,700,170	\$ 183,538,331
Debt payable after one year	-	-	\$ 182,516
Debt payable - related party	-	-	\$ 11,853,118
Underfunded defined benefit pension plans	-	-	\$ 426,558,365
Other liabilities	-	-	\$ 29,862,035
<b>Total Liabilities Not Subject to Compromise</b>	-	(185,548,336)	\$ 651,994,365
<b>Liabilities Subject to Compromise</b>			
Debt, pre-petition plus accrued interest	-	-	\$ 864,278,638
Drawn letters of credit plus accrued interest	-	-	\$ 32,063,201
Income tax contingences	-	-	\$ 102,522,581
Asbestos-related contingences	-	-	\$ 1,700,000,000
Environmental contingences	-	-	\$ 145,401,619
Postretirement benefits	-	-	\$ 176,570,229
Other liabilities and accrued interest	-	(10,403,931)	\$ 132,333,287
<b>Total Liabilities Subject to Compromise</b>	-	(10,403,931)	\$ 3,153,169,555
<b>Total Liabilities</b>	-	(195,952,267)	\$ 3,805,163,920
<b>Equity (Deficit)</b>			
Preferred stock	-	-	\$ 112
Common stock	-	-	\$ 844,092
Paid in capital	-	-	\$ 450,424,010
(Accumulated deficit)/Retained earnings	(140,062,673)	2,000,000	\$ (68,182,223)
Treasury stock, at cost	-	-	\$ (50,203,834)
Accumulated other comprehensive (loss) income	(42,349,507)	5,800,000	\$ (571,522,398)
<b>Total W.R. Grace &amp; Co. - Chapter 11 Filing Entities Equity (Deficit)</b>	<b>(182,412,181)</b>	<b>7,800,000</b>	<b>\$ (238,640,241)</b>
Noncontrolling interest	-	-	\$ 130,000
<b>Total Equity (Deficit)</b>	<b>(182,412,181)</b>	<b>7,800,000</b>	<b>\$ (238,510,241)</b>
<b>Total Liabilities and Equity (Deficit)</b>	<b>\$ (182,412,181)</b>	<b>\$ (188,152,267)</b>	<b>\$ 3,566,653,679</b>

## Note #3

Certain contingent liabilities of divested businesses are included on the balance sheet of W. R. Grace & Co. - Conn as it is not practical to determine which Debtor bears the ultimate obligation.

Chart 5

<b>W. R. Grace &amp; Co. - Conn</b> <b>Status of Postpetition Taxes</b> <b>MOR-4</b> <b>June 30, 2010</b>				
	Beginning Tax Liability	Amount Withheld or Accrued	Amount Paid	Ending Tax Liability
	A	B	= C-A-B	C
<b>Federal</b>				
Withholding	\$ 133,502	\$ 1,853,317	\$ (1,853,317)	\$ 133,502
FICA - Employee	9,414	992,474	(992,667)	9,221
FICA and payroll- Employer	1,088,780	992,474	(828,420)	1,252,834
Unemployment	-	1,103	(1,103)	-
Other	-	11,286	(11,286)	-
<b>Total Federal Taxes</b>	<b>\$ 1,231,696</b>	<b>\$ 3,850,654</b>	<b>\$ (3,686,793)</b>	<b>\$ 1,395,557</b>
<b>State and Local</b>				
Withholding	\$ 79,526	\$ 641,309	(641,190)	\$ 79,645
Sales & Use	446,859	425,826	(340,626)	532,059
Property Taxes	2,444,966	290,229	1	2,735,196
Other	-	-	-	-
<b>Total State and Local</b>	<b>\$ 2,971,351</b>	<b>\$ 1,357,364</b>	<b>\$ (981,815)</b>	<b>\$ 3,346,900</b>
<b>Total Taxes</b>	<b>\$ 4,203,047</b>	<b>\$ 5,208,018</b>	<b>\$ (4,668,608)</b>	<b>\$ 4,742,457</b>

**Note #4**

Grace's information systems do not provide the detailed nature of invoices in Accounts Payable. See Debtor Questionnaire (Chart 7, MOR – 5) for attestation related to accounts payable and tax obligations.



Chart 5

<b>Remedium Group, Inc.</b> <b>Status of Postpetition Taxes</b> <b>MOR-4</b> <b>June 30, 2010</b>				
	Beginning Tax Liability	Amount Withheld or Accrued	Amount Paid	Ending Tax Liability
	A	B	= C-A-B	C
<b>Federal</b>				
Withholding	\$ -	\$ 4,875	\$ (4,875)	\$ -
FICA - Employee	-	1,954	(1,954)	-
FICA and payroll- Employer	-	1,954	(1,954)	-
Unemployment	-	-	-	-
Other	-	-	-	-
<b>Total Federal Taxes</b>	\$ -	\$ 8,783	\$ (8,783)	\$ -
<b>State and Local</b>				
Withholding	\$ -	\$ 371	\$ (371)	\$ -
Sales & Use	-	-	-	-
Property Taxes	-	-	-	-
Other	-	-	-	-
<b>Total State and Local</b>	\$ -	\$ 371	\$ (371)	\$ -
<b>Total Taxes</b>	\$ -	\$ 9,154	\$ (9,154)	\$ -

**Note #4**

Grace's information systems do not provide the detailed nature of invoices in Accounts Payable. See Debtor Questionnaire (Chart 7, MOR – 5) for attestation related to accounts payable and tax obligations.

Chart 5

<b>Grace Washington, Inc.</b> <b>Status of Postpetition Taxes</b> <b>MOR-4</b> <b>June 30, 2010</b>				
	Beginning Tax Liability	Amount Withheld or Accrued	Amount Paid	Ending Tax Liability
	A	B	= C-A-B	C
<b>Federal</b>				
Withholding	\$ -	\$ 4,344	\$ (4,344)	\$ -
FICA - Employee	-	272	(272)	-
FICA and payroll- Employer	-	272	(272)	-
Unemployment	-	-	-	-
Other	-	-	-	-
<b>Total Federal Taxes</b>	\$ -	\$ 4,888	\$ (4,888)	\$ -
<b>State and Local</b>				
Withholding	\$ -	\$ 933	\$ (933)	\$ -
Sales & Use	-	-	-	-
Property Taxes	-	-	-	-
Other	-	-	-	-
<b>Total State and Local</b>	\$ -	\$ 933	\$ (933)	\$ -
<b>Total Taxes</b>	\$ -	\$ 5,821	\$ (5,821)	\$ -

**Note #4**

Grace's information systems do not provide the detailed nature of invoices in Accounts Payable. See Debtor Questionnaire (Chart 7, MOR – 5) for attestation related to accounts payable and tax obligations.

Chart 5

<b>L B Realty, Inc.</b> <b>Status of Postpetition Taxes</b> <b>MOR-4</b> <b>June 30, 2010</b>				
	Beginning Tax Liability	Amount Withheld or Accrued	Amount Paid	Ending Tax Liability
	A	B	= C-A-B	C
<b>Federal</b>				
Withholding	\$ -	\$ -	\$ -	\$ -
FICA - Employee	-	-	-	-
FICA and payroll- Employer	-	-	-	-
Unemployment	-	-	-	-
Other	-	-	-	-
<b>Total Federal Taxes</b>	\$ -	\$ -	\$ -	\$ -
<b>State and Local</b>				
Withholding	\$ -	\$ -	\$ -	\$ -
Sales & Use	-	-	-	-
Property Taxes	-	-	-	-
Other	-	-	-	-
<b>Total State and Local</b>	\$ -	\$ -	\$ -	\$ -
<b>Total Taxes</b>	\$ -	\$ -	\$ -	\$ -

**Note #4**

Grace's information systems do not provide the detailed nature of invoices in Accounts Payable. See Debtor Questionnaire (Chart 7, MOR – 5) for attestation related to accounts payable and tax obligations.

Chart 5

<b>Darex Puerto Rico, Inc.</b> <b>Status of Postpetition Taxes</b> <b>MOR-4</b> <b>June 30, 2010</b>				
	Beginning Tax Liability	Amount Withheld or Accrued	Amount Paid	Ending Tax Liability
	A	B	= C-A-B	C
<b>Federal</b>				
Withholding	\$ -	\$ -	\$ -	\$ -
FICA - Employee	-	616	(616)	-
FICA and payroll- Employer	-	616	(616)	-
Unemployment	-	-	-	-
Other	-	-	-	-
<b>Total Federal Taxes</b>	\$ -	\$ 1,232	\$ (1,232)	\$ -
<b>State and Local</b>				
Withholding	\$ -	\$ 822	\$ (822)	\$ -
Sales & Use	(108)	801	-	693
Property Taxes	182,831	18,750	-	201,581
Other	-	-	-	-
<b>Total State and Local</b>	\$ 182,723	\$ 20,373	\$ (822)	\$ 202,274
<b>Total Taxes</b>	\$ 182,723	\$ 21,605	\$ (2,054)	\$ 202,274

**Note #4**

Grace's information systems do not provide the detailed nature of invoices in Accounts Payable. See Debtor Questionnaire (Chart 7, MOR – 5) for attestation related to accounts payable and tax obligations.

Chart 6

W. R. Grace & Co. - Conn	
Accounts Receivable Reconciliation and Aging	
MOR-5	
June 2010	
Trade Accounts Receivable Reconciliation	
Trade accounts receivable, beginning of month, gross	\$ 108,098,429
Amounts billed during the period	\$ 77,637,350
Amounts collected during the period	\$ (103,933,874)
Other	\$ 17,888,529
Trade accounts receivable at the end of month, gross	\$ 99,690,434
Trade Accounts Receivable Aging	
Current	\$ 91,534,466
1-30 days past due	\$ 5,538,443
31-60 days past due	\$ 1,304,828
+61 days past due	\$ 1,312,697
Trade accounts receivable, gross	\$ 99,690,434
Allowance for doubtful accounts	\$ (1,661,956)
Trade accounts receivable, net	\$ 98,028,478
Notes and Accounts Receivable Reconciliation	
Trade accounts receivable, net	\$ 98,028,478
Customer notes and drafts receivable	\$ 632,769
Pending customer credit notes	\$ (2,070)
Advances and deposits	\$ 3,023,504
Nontrade receivables, net	\$ 11,800,323
Total notes and accounts receivable, net	\$ 113,483,003

Chart 6

Grace Washington, Inc. Accounts Receivable Reconciliation and Aging MOR-5 June 2010	
Trade Accounts Receivable Reconciliation	
Trade accounts receivable, beginning of month, gross	\$ -
Amounts billed during the period	-
Amounts collected during the period	-
Other	-
Trade accounts receivable at the end of month, gross	\$ -
Trade Accounts Receivable Aging	
Current	\$ -
1-30 days past due	-
31-60 days past due	-
+61 days past due	-
Trade accounts receivable, gross	-
Allowance for doubtful accounts	-
Trade accounts receivable, net	\$ -
Notes and Accounts Receivable Reconciliation	
Trade accounts receivable, net	\$ -
Customer notes and drafts receivable	-
Pending customer credit notes	-
Advances and deposits	-
Nontrade receivables, net	-
Total notes and accounts receivable, net	\$ -

Chart 6

Darex Puerto Rico, Inc. Accounts Receivable Reconciliation and Aging MOR-5 June 2010	
Trade Accounts Receivable Reconciliation	
Trade accounts receivable, beginning of month, gross	\$ 1,272,929
Amounts billed during the period	293,463
Amounts collected during the period	(345,541)
Other	(29,016)
Trade accounts receivable at the end of month, gross	\$ 1,191,835
Trade Accounts Receivable Aging	
Current	\$ 619,442
1-30 days past due	113,758
31-60 days past due	140,666
+61 days past due	317,969
Trade accounts receivable, gross	1,191,835
Allowance for doubtful accounts	(105,224)
Trade accounts receivable, net	\$ 1,086,612
Notes and Accounts Receivable Reconciliation	
Trade accounts receivable, net	\$ 1,086,612
Customer notes and drafts receivable	-
Pending customer credit notes	216
Advances and deposits	32,105
Nontrade receivables, net	-
Total notes and accounts receivable, net	\$ 1,118,933

Chart 6

Remedium Group, Inc. Accounts Receivable Reconciliation and Aging MOR-5 June 2010	
<b>Trade Accounts Receivable Reconciliation</b>	
Trade accounts receivable, beginning of month, gross	\$ -
Amounts billed during the period	-
Amounts collected during the period	-
Other	-
Trade accounts receivable at the end of month, gross	\$ -
<b>Trade Accounts Receivable Aging</b>	
Current	\$ -
1-30 days past due	-
31-60 days past due	-
+61 days past due	-
Trade accounts receivable, gross	-
Allowance for doubtful accounts	-
Trade accounts receivable, net	\$ -
<b>Notes and Accounts Receivable Reconciliation</b>	
Trade accounts receivable, net	\$ -
Customer notes and drafts receivable	-
Pending customer credit notes	-
Advances and deposits	-
Nontrade receivables, net	-
Total notes and accounts receivable, net	\$ -



Chart 6

**Gloucester New Communities Company, Inc.**  
**Accounts Receivable Reconciliation and Aging**  
**MOR-5**  
**June 2010**

**Trade Accounts Receivable Reconciliation**

Trade accounts receivable, beginning of month, gross	\$ -
Amounts billed during the period	-
Amounts collected during the period	-
Other	-
Trade accounts receivable at the end of month, gross	\$ -

**Trade Accounts Receivable Aging**

Current	\$ -
1-30 days past due	-
31-60 days past due	-
+61 days past due	-
Trade accounts receivable, gross	-
Allowance for doubtful accounts	-
Trade accounts receivable, net	\$ -

**Notes and Accounts Receivable Reconciliation**

Trade accounts receivable, net	\$ -
Customer notes and drafts receivable	-
Pending customer credit notes	-
Advances and deposits	-
Nontrade receivables, net	91,572
Total notes and accounts receivable, net	\$ 91,572

Chart 6

<b>Grace Europe, Inc.</b> <b>Accounts Receivable Reconciliation and Aging</b> <b>MOR-5</b> <b>June 2010</b>	
<b>Trade Accounts Receivable Reconciliation</b>	
Trade accounts receivable, beginning of month, gross	\$ -
Amounts billed during the period	-
Amounts collected during the period	-
Other	-
Trade accounts receivable at the end of month, gross	\$ -
<b>Trade Accounts Receivable Aging</b>	
Current	\$ -
1-30 days past due	-
31-60 days past due	-
+61 days past due	-
Trade accounts receivable, gross	-
Allowance for doubtful accounts	-
Trade accounts receivable, net	\$ -
<b>Notes and Accounts Receivable Reconciliation</b>	
Trade accounts receivable, net	\$ -
Customer notes and drafts receivable	-
Pending customer credit notes	-
Advances and deposits	-
Nontrade receivables, net	76,265
Total notes and accounts receivable, net	\$ 76,265

Chart 7

W.R. Grace & Co., et al Debtor Questionnaire MOR - 5 June 30, 2010		
	Yes	No
1. Have any assets been sold or transferred outside the normal course of business this reporting period? If yes, provide an explanation below.		X
2. Have any funds been disbursed from any account other than a debtor in possession account for this reporting period? If yes, provide an explanation below.		See Note #5 below
3. Have all postpetition tax returns been timely filed? If no, provide an explanation below.	X	
4. Are workers compensation, general liability and other necessary insurance coverages in affect? If no, provide and explanation below.	X	
5. Are post-petition accounts payable and tax obligations current and paid to date? If no, provide an explanation.	X (unless disputed in normal course of business)	

**Note #5**

As part of the first day orders submitted to the court on April 2, 2001, an application for the Debtors to (a) continue and maintain their consolidated cash management system, (b) continue and maintain their existing bank accounts and (c) continue to use existing business forms and granting related relief was included. The Debtors have continued to use their existing bank accounts and no new debtor in possession accounts have been established.

List assets sold/transferred outside the normal course of business over \$25,000:		
Description of Asset	Sale Date	Proceeds

## **Combined Chapter 11 Filing Entity Statements**

Chart 8

W. R. Grace & Co. - Chapter 11 Filing Entities				
Combined Statements of Operations				
In millions	Month Ended June 30,		Six Months Ended June 30,	
	2010	2009	2010	2009
Net sales to third parties	\$ 77.9	\$ 89.3	\$ 431.8	\$ 455.4
Net sales to non-filing entities	32.4	41.0	141.4	237.8
Interest and royalties from non-filing entities	2.8	16.1	23.8	34.8
	113.1	146.4	597.0	728.0
Cost of goods sold to third parties	47.7	52.8	274.7	304.4
Cost of goods sold to related parties	(0.3)	-	(1.9)	-
Cost of goods sold to non-filing entities	21.2	32.9	92.9	198.4
Selling, general and administrative expenses	21.4	20.4	123.9	160.7
Restructuring costs	0.2	2.2	1.5	11.3
Depreciation and amortization	6.9	5.3	35.0	27.8
Research and development expenses	2.5	3.2	17.3	18.7
Defined benefit pension expense	3.5	4.7	28.7	34.7
Interest expense	4.1	3.0	20.2	18.3
Other (income) expense, net	(3.4)	3.0	(8.9)	5.1
Provision for environmental remediation	-	-	-	0.7
Chapter 11 expenses, net of interest income	0.3	3.1	10.8	18.0
	104.1	130.6	594.2	798.1
Income (loss) before income taxes and equity in net income of non-filing entities	9.0	15.8	2.8	(70.1)
Benefit from (provision for) income taxes	(3.5)	(6.9)	12.0	21.2
Income (loss) before equity in net income of non-filing entities	5.5	8.9	14.8	(48.9)
Equity in net income of non-filing entities	17.4	3.9	92.4	29.3
Net income (loss)	\$ 22.9	\$ 12.8	\$ 107.2	\$ (19.6)

## W. R. Grace &amp; Co. - Chapter 11 Filing Entities

## Combined Statements of Cash Flows

(in millions)	Six Months Ended June 30,	
	2010	2009
<b><u>Operating Activities</u></b>		
Net income (loss)	\$ 107.2	\$ (19.6)
Reconciliation to net cash provided by operating activities:		
Depreciation and amortization	35.0	27.8
Equity in earnings of non-filing entities	(92.4)	(29.3)
Benefit from income taxes	(12.0)	(21.2)
Income taxes (paid), net of refunds received	1.3	(2.9)
Defined benefit pension expense	28.7	34.7
Payments under defined benefit pension arrangements	(21.4)	(18.7)
Changes in assets and liabilities, excluding effect of foreign currency translation:		
Trade accounts receivable	(25.1)	(4.8)
Inventories	(15.9)	23.2
Accounts payable	17.0	7.5
Other accruals and non-cash items	2.6	42.3
<b>Net cash provided by operating activities</b>	<b>25.0</b>	<b>39.0</b>
<b><u>Investing Activities</u></b>		
Capital expenditures	(23.9)	(21.0)
Proceeds from termination of life insurance policies, net	-	68.8
Transfer to restricted cash and cash equivalents related to letter of credit facility	(76.6)	-
<b>Net cash provided by (used for) investing activities</b>	<b>(100.5)</b>	<b>47.8</b>
<b><u>Financing Activities</u></b>		
Net repayments under credit arrangements	(5.2)	(5.0)
Proceeds from exercise of stock options	6.8	-
<b>Net cash provided by (used for) financing activities</b>	<b>1.6</b>	<b>(5.0)</b>
<b>Increase (decrease) in cash and cash equivalents</b>	<b>(73.9)</b>	<b>81.8</b>
Cash and cash equivalents, beginning of period	685.5	218.1
<b>Cash and cash equivalents, end of period</b>	<b>\$ 611.6</b>	<b>\$ 299.9</b>

Chart 10

W. R. Grace & Co. - Chapter 11 Filing Entities Combined Balance Sheets			
Amounts in millions	June 30, 2010	December 31, 2009	April 2, 2001
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and cash equivalents	\$ 611.6	\$ 685.5	\$ 8.6
Restricted cash and cash equivalents related to letter of credit facility	76.6	-	-
Cash value of life insurance policies, net of policy loans	-	-	-
Trade accounts receivable, less allowance of \$1.8 (2009 - \$3.0, Filing Date - \$0.7)	99.7	74.6	32.3
Accounts receivable - unconsolidated affiliate	6.5	6.4	-
Receivables from non-filing entities, net	62.4	64.5	51.2
Inventories	102.4	86.5	80.6
Deferred income taxes	27.2	29.2	80.9
Asbestos-related insurance expected to be realized within one year	-	-	17.0
Other current assets	37.9	31.9	33.4
<b>Total Current Assets</b>	<b>1,024.3</b>	<b>978.6</b>	<b>304.0</b>
Properties and equipment, net	389.8	399.6	400.4
Goodwill	25.3	25.3	13.6
Deferred income taxes	833.0	808.5	401.0
Asbestos-related insurance expected to be realized after one year	500.0	500.0	323.4
Loans receivable from non-filing entities, net	332.3	388.9	387.5
Investment in non-filing entities	332.1	254.0	121.0
Overfunded defined benefit pension plans	0.2	0.2	-
Deferred pension costs	-	-	236.0
Investment in unconsolidated affiliates	56.8	45.8	-
Other assets	72.8	44.9	136.6
<b>Total Assets</b>	<b>\$ 3,566.6</b>	<b>\$ 3,445.8</b>	<b>\$ 2,323.5</b>
<b>LIABILITIES AND EQUITY (DEFICIT)</b>			
<b>Liabilities Not Subject to Compromise</b>			
<b>Current Liabilities</b>			
Debt payable within one year	\$ 0.2	\$ 0.2	\$ -
Debt payable - unconsolidated affiliate	1.9	1.8	-
Accounts payable	84.9	67.9	-
Accounts payable - unconsolidated affiliate	0.1	0.3	-
Other current liabilities	96.4	126.6	-
<b>Total Current Liabilities</b>	<b>183.5</b>	<b>196.8</b>	<b>-</b>
Debt payable after one year	0.2	0.3	-
Debt payable - unconsolidated affiliate - long term	11.9	10.5	-
Underfunded defined benefit pension plans	426.6	359.6	-
Other liabilities	29.9	30.6	31.5
<b>Total Liabilities Not Subject to Compromise</b>	<b>652.1</b>	<b>597.8</b>	<b>31.5</b>
<b>Liabilities Subject to Compromise</b>			
Debt plus accrued interest	896.4	882.0	511.5
Income tax contingencies	102.6	117.9	242.1
Asbestos-related contingencies	1,700.0	1,700.0	1,002.8
Environmental contingencies	145.4	148.4	164.8
Postretirement benefits	176.6	171.2	256.2
Other liabilities and accrued interest	132.2	127.6	188.6
<b>Total Liabilities Subject to Compromise</b>	<b>3,153.2</b>	<b>3,147.1</b>	<b>2,366.0</b>
<b>Total Liabilities</b>	<b>3,805.3</b>	<b>3,744.9</b>	<b>2,397.5</b>
<b>Equity (Deficit)</b>			
Common stock	0.8	0.8	0.8
Paid in capital	450.4	445.8	432.6
Accumulated deficit	(68.2)	(175.4)	(201.8)
Treasury stock, at cost	(50.2)	(55.9)	(136.4)
Accumulated other comprehensive loss	(571.6)	(514.5)	(169.5)
<b>Total W.R. Grace &amp; Co. Chapter 11 Filing Entities Shareholders' Equity (Deficit)</b>	<b>(238.8)</b>	<b>(299.2)</b>	<b>(74.3)</b>
Noncontrolling interest	0.1	0.1	0.3
<b>Total Equity (Deficit)</b>	<b>(238.7)</b>	<b>(299.1)</b>	<b>(74.0)</b>
<b>Total Liabilities and Equity (Deficit)</b>	<b>\$ 3,566.6</b>	<b>\$ 3,445.8</b>	<b>\$ 2,323.5</b>

**W. R. Grace & Co.**  
**Filing Entity Supplemental Financial Information**  
**June 30, 2010**

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**Basis of Presentation**

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The interim Combined Financial Statements presented herein represent the results of operations, cash flows and financial position of the Debtors. These financial statements pertain to periods beginning with, and subsequent to, the Filing Date and have been prepared in conformity with requirements of the Bankruptcy Court. Consequently, these financial statements do not purport to present the financial performance of W. R. Grace & Co. in conformity with U.S. generally accepted accounting principles which would require the consolidation of all controlled subsidiaries and more extensive notes and analysis related to the worldwide operations of W. R. Grace & Co. Financial activity of non-Debtor entities is not presented herein. However, all non-Debtor entities are either directly or indirectly controlled by the Debtors and, accordingly, non-Debtor financial results are reflected under the equity method of accounting. These financial statements are unaudited and should be read in conjunction with the consolidated financial statements presented in the Company's 2009 Annual Report on Form 10-K and other periodic filings with the U.S. Securities and Exchange Commission.

These interim Combined Financial Statements reflect all adjustments that, in the opinion of management, are necessary for a fair presentation of the results of the interim periods presented under U.S. generally accepted accounting principles; all such adjustments are of a normal recurring nature. All significant inter-Debtor accounts and transactions have been eliminated. Transactions and balances with non-Debtor entities are separately disclosed.

The results of operations for the six-month interim period ended June 30, 2010 are not necessarily indicative of the results of operations for the year ending December 31, 2010.



**Other Balance Sheet Accounts**

<i>(In millions)</i>	June 30, 2010	Filing Date
<b>Inventories</b>		
Raw materials .....	\$ 22.3	\$ 20.3
In process .....	19.7	16.2
Finished products .....	47.9	63.8
Other .....	12.5	9.6
Less: Adjustment of certain inventories to a last-in/first-out (LIFO) basis .....	--	(29.3)
	<b>\$ 102.4</b>	<b>\$ 80.6</b>
<b>Other Assets</b>		
Deferred charges .....	17.3	40.4
Cash value of life insurance policies, net of policy loans .....	4.4	64.1
Long-term receivables .....	0.3	1.9
Long-term investments .....	3.9	2.1
Patents, licenses and other intangible assets, net .....	15.0	25.2
Fair value of currency forward contracts .....	31.9	--
Other assets .....	--	2.9
	<b>\$ 72.8</b>	<b>\$ 136.6</b>
<b>Other Current Liabilities</b>		
Accrued compensation .....	\$ 37.8	\$ --
Accrued commissions .....	3.7	--
Customer programs .....	11.7	--
Accrued freight .....	7.7	--
Accrued reorganization fees .....	9.2	--
Fair value of commodity contracts .....	1.5	--
Other accrued liabilities .....	24.8	--
	<b>\$ 96.4</b>	<b>\$ --</b>
<b>Other Liabilities</b>		
Deferred royalty income – non-filing entities .....	\$ --	\$ 31.5
Accrued compensation .....	1.6	--
Other accrued liabilities .....	28.3	--
	<b>\$ 29.9</b>	<b>\$ 31.5</b>
<b>Other Liabilities Subject to Compromise</b>		
Accrued interest on pre-petition liabilities .....	55.7	--
Accounts payable .....	31.2	43.0
Retained obligations of divested businesses .....	27.7	43.5
Other accrued liabilities .....	17.6	102.1
	<b>\$ 132.2</b>	<b>\$ 188.6</b>

Accrued compensation in the table above includes salaries and wages as well as estimated current amounts due under the annual and long-term incentive programs.

**Debt**

On June 30, 2010 and the Filing Date, Grace's debt was as follows:

<b>Components of Debt</b> <i>(In millions)</i>	<b>June 30, 2010</b>	<b>Filing Date</b>
<b>Debt payable within one year</b>		
DIP facility.....	\$ --	\$ --
Other short-term borrowings and related fees payable .....	0.2	--
	<b>\$ 0.2</b>	<b>\$ --</b>
<b>Debt payable after one year</b>		
DIP facility.....	\$ --	\$ --
Other long-term borrowings .....	0.2	--
	<b>\$ 0.2</b>	<b>\$ --</b>
<b>Debt Subject to Compromise</b>		
Bank borrowings.....	\$ 500.0	\$ 500.0
Accrued interest on bank borrowings.....	364.3	
Drawn letters of credit.....	25.8	--
Accrued interest on drawn letters of credit .....	6.3	--
8.0% Notes Due 2004.....	--	5.7
7.75% Notes Due 2002.....	--	2.0
Other borrowings .....	--	1.2
Accrued interest.....	--	2.6
	<b>\$ 896.4</b>	<b>\$ 511.5</b>
Weighted average interest rates on total debt	3.5%	6.1%

On March 2, 2010, Grace terminated its debtor-in-possession (DIP) facility and replaced it with a \$100 million cash-collateralized letter of credit facility to support existing and new financial assurances. The terminated DIP facility also provided credit support for foreign currency and commodity derivatives. The asset backed arrangement of the DIP facility has been replaced with cash collateral accounts which secure the obligations arising from letters of credit, foreign currency and commodity transactions. At June 30, 2010, Grace held \$81.5 million in restricted cash and cash equivalents primarily to support this facility.

As of June 30, 2010, the Debtors had no revolving loans and \$71.0 million of standby letters of credit issued and outstanding under the facility.